



TVOntario (*tee-vee-on-táre-ee-oh*)
n. adjunct to Ontario's formal education and training systems, on air, online and in print. *adj.* intelligent; accessible; educational; inspirational. *v.* increasing self-sufficiency; delivering uncompromising quality.

To the Honourable Mary Anne Chambers,
Minister of Training, Colleges and Universities,
Queen's Park

I take pleasure in submitting the Annual Report of the Ontario Educational Communications Authority (TVOntario) for the fiscal year April 1, 2003, to March 31, 2004. This is done in accordance with Section 12 (1) of the Ontario Educational Communications Authority Act.

This Annual Report outlines the milestones we set and our successes in achieving them for the year 2003–04, during which we delivered to the people of Ontario unique services that support the Government's top priority of education, and at the same time increased our financial self-sufficiency.

Through the integration of our broadcast and online technologies, and the commitment and vision of a talented staff, TVOntario provides valuable educational resources and learning experiences that fulfill the needs of Ontarians. With our focus on formal educational programming and resources, diversity, innovation, and self-sufficiency at the core of our day-to-day operations, there were a number of achievements this year. TVO extended its partnerships with Ontario colleges and universities, selecting and broadcasting high-quality television programs to enrich credit courses across the province. TFO embarked on a new math and literacy project for early childhood educators, and the Independent Learning Centre—the province's elementary and high school distance education facility—expanded and enhanced its Web sites by adding a new feature focusing on apprenticeship opportunities in Ontario.

I invite you to review our educational programming and independent learning accomplishments in the pages that follow.

Yours sincerely,



Isabel Bassett
Chair and Chief Executive Officer
Ontario Educational Communications Authority

MANDATE

TVOntario's mandate is to serve as an adjunct to the formal education and training systems in Ontario, by using television and other communications technologies to provide high quality educational programs, curriculum resources and distance education courses in English and in French.

In 1970, TVOntario was established as the Ontario Educational Communications Authority. As defined by our mandate, TVOntario initiates, produces, and provides uninterrupted programming and access to interactive media resources that educate, inform, and enrich all Ontarians.

TVOntario is committed to educational strategies that incorporate and support quality lifelong learning opportunities for adults and children, using the power of educational television programming and ongoing developments in e-learning. This is achieved by linking our educational television programming to the Ontario curriculum, by creating integrated program and interactive online services, by developing post-secondary credit courses in partnership with colleges and universities, and online skills training products, all in support of Ontario's education system.

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A MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER



ISABEL BASSETT,
CHAIR AND CEO,
TVOntario

This Annual Report Card covers the period 2003–04, the first year of the provincially approved three-year business plan for 2003–06, which introduced a new set of strategic directions to guide the organization.

Strategic Directions for 2003–06

- Adjust the broadcast schedule to meet the formal education needs of key target markets.
 - Develop and implement a French-as-a-second-language initiative for French immersion schools and adults interested in learning French.
 - Promote diversity to reach a significantly broader market and reflect the changing reality of Ontario society.
 - Increase access for those facing barriers to high quality educational programs and resources.
 - Build partnerships with teachers, post-secondary institutions, other provincial agencies, and the private sector that support TVOntario's new educational mandate.
 - Develop a new marketing and communications strategy to promote awareness and use of TVOntario products.
 - Develop a stable, renewable resource base that builds greater financial self-sufficiency.
 - Build a learning organization that fosters innovation and promotes creativity and risk-taking in ways that strengthen our core business.
- In the pages that follow, you will find a review of the year's activities for each individual programming and revenue area, outlining the milestones we set, our achievements, and our goals for the future.

Looking Ahead

- TVOntario enters the second year of its three-year business plan in the fiscal year 2004–05, building on our clearly defined educational mandate with a greater emphasis on increasing our revenues.
- This plan will place increasing emphasis on meeting Ontario's formal education needs. We will continue to increase connections between our distinct programs, online resources, and our formal educational activities. These connections will allow us to deliver more comprehensive and engaging programming and Web-based learning opportunities for Ontarians, provide a unique context and perspective on issues affecting them, and reflect the province's rich multiculturalism.
 - We will concentrate more on achieving greater self-sufficiency. There are millions of users of TVOntario's educational programs and services. Our goal is to turn them into financial supporters by broadening our Membership base.
 - We will forge new partnerships with the corporate sector as well as creating partnerships with organizations and agencies around the province so that we can reach out to all Ontarians.
 - We will work with our government partners to ensure the financial health of TVOntario and to deliver the best educational resources to the people of our province.

In our first year as a fully integrated branch of TVOntario, the Independent Learning Centre was very active in expanding its presence in e-learning markets and beyond, reinforcing TVOntario's educational mandate. We forged partnerships with teachers, post-secondary institutions, other provincial agencies, and also the private sector, to create and implement new and exciting Web components and other initiatives that support distance learning and classroom-based applications, reflect the ever-changing needs of Ontario learners, and improve our accessibility, particularly to disadvantaged students and underserved communities.



SARAH IRWIN,
MANAGING DIRECTOR,
INDEPENDENT
LEARNING CENTRE

2003–04 Milestones

Work with Communications to increase awareness among the province's diverse communities and new Canadians about ILC courses and the GED testing service.

With a broad range of strategic marketing and publicity initiatives, the ILC raised awareness of its resources and services for diverse and underserved communities through various media—*Tansi* (First Nations newspaper), *India Today*, and *The Korea Times Daily*. ILC course guides were distributed to mosques. We also participated in many outreach activities: the Education Training and Career Fair; the Ontario Library Association's Super Conference; the 10th Annual Canadian Aboriginal Festival and Pow Wow; the Ideas & Inspiration Conference for Ontario School Councils; and Contact North. The ILC course guide was also redesigned, promoting programming and resources offered by TVOntario and the ILC. The guide was complemented by English and French newsletters on educational issues and trends.

Meet or exceed the service expectations identified in Schedule I of the Tripartite

Agreement with the Ministries of Education and Training, Colleges and Universities.

In our first year, we consolidated the ILC's Web sites, *Ask a Teacher*, *GED*, *CareerMATTERS*, ILC courses, and *Lifelong Learning Challenge Fund* information under one umbrella at ilc.org. We delivered 32 courses (24 English and eight French) for a total of 3,520 hours of learning, and, working towards a more integrated online and paper-based learning experience for students, delivered 15 "learning objects" or online interactive tutorials supporting ILC courses.

Strengthen the *Ask a Teacher* service with new Grade 10, 11, and 12 content and incorporate it into ILC course delivery.

Our homework help Web site, *Ask a Teacher*, delivered new features such as the "Brain Bank," a 97-question and walk-through math and science resource; a 100-topic super glossary as well as approximately 100 formulae, rules, and tables for student





Ask a Teacher Web site



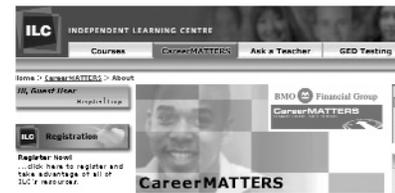
Marlene Parkinson, ILC graduate



ILC graduation, 2003



ILC awareness campaign



CareerMATTERS Web site

reference. We also provided assistance for students preparing for Grade 9 and Grade 10 EQAO math and literacy tests. Overall usage increased by over 58%, climbing from 6087 visits in March 2003, to 9623 for March 2004.

Profile 200 more occupations on CareerMATTERS based on priorities established in consultation with the Ministry of Training, Colleges and Universities, and industry associations.

The new Apprenticeship section within CareerMATTERS provides in-depth information and advice on apprenticeship opportunities in Ontario. The site comprises 134 descriptions and 40 personal profiles of apprentices representing the four trade sectors. Visits jumped significantly by 200%, from 24,627 in March 2003 to 41,969 in March 2004.

Work with the Ministry of Training, Colleges and Universities and with community colleges to heighten awareness about and access to Ontario apprenticeship programs, including profiles for the province's 140 apprenticeship programs on CareerMATTERS, and the development of new online training materials.

We developed partnerships with the Ontario Institute for Studies in Education (OISE); the Colleges of Ontario Network for Education and Training (CON*NECT); the Ontario Guidance Association (OGLA); the Ontario School Counsellors' Association (OSCA); the Ontario Youth Apprenticeship Program (OYAP); and the Ontario Youth Employment programs; and also took part in the

Educational Training Career fairs.

Increase access for those facing barriers to high quality educational programs and resources.

We partnered with Contact North to raise awareness of our resources and services to students, adult learners, and other community members living in the Northern regions of the province. We showcased ILC to a variety of organizations such as the Ontario Library Association. Our "Finish what you started," awareness campaign, geared to those outside the conventional school system who have not completed high school, was also launched in Hamilton, Toronto, Ottawa, and the GTA and achieved excellent results.

GED testing services were offered in collaboration with GED Quinte, Bancroft, Belleville, and Trenton; Nawash Economic Development in Cape Crocker; Saulteaux Enterprises in Sagamok; Conestoga College in Stratford and Guelph; United Native Friendship Centre in Fort Frances; Confederation College in Fort Frances, Ignace, Sioux Lookout, and Dryden; Georgian College in Orangeville; YWCA in Scarborough; John C. Yesno Education Centre in Fort Hope. With the active participation of the employer, employees at Campbell's Soup, Kitchener; the City of Toronto; and Kuntz Electroplating in

Independent Learning Centre at a glance

For the Year Ending March 31, 2004

Number of individual students enrolled in ILC courses	19,117
Number of GED candidates registered	5,211
Number of ESL students	229
Number of units and tests completed	31,131
Number of hours of courses developed	3520
Number of new print curriculum courses	32

Looking Ahead

- We will work with the department of Development, Marketing, and Communications to create partnerships to garner revenues for our ILC products and services.
- We will review our business model to ensure that, wherever possible and appropriate, we are positioned to generate revenue and attract corporate sponsors.
- Drawing on TVO's and TFO's signature in-house productions such as *Studio 2*, *Imprint*, and *Panorama*, the ILC will focus on incorporating as much programming as possible into its online resources for students enrolled in the humanities (English, law, or history), to create more effective and engaging learning experiences.
- The English elementary curriculum will become completely available through the ILC.
- Working collaboratively with OISE, the ILC will develop 64 new interactive online learning objects fulfilling the needs of the

science and math curriculum, providing visual and tactile reinforcement of those subjects' most challenging concepts. These learning objects will also be available to our Revenue and Development department for marketing and licensing purposes throughout Canada and in the U.S.

- The ILC will collaborate and/or partner with complementary institutions to ensure that trusted intermediaries such as the guidance community, apprenticeship associations, charitable organizations, community centres, and employers are aware of ILC's suite of services and recommend these to their clients and employees.
- We will complete the first Innovation Fund project on "Learning Skills." The Innovation Fund is an initiative supporting projects based on new ideas for innovative educational programs and services that meet TVOntario's educational mandate and provide new revenue sources.

TVO PROGRAMMING

TVO reinforced its unique niche in a competitive television market and advanced its position as the province's educational broadcaster. Convergence was key as the network increased its curriculum-linked content and added Web components to enhance the educational benefits of its broadcast schedule. New programming initiatives covering all genres and high production standards overall created innovative learning opportunities that directly respond to and enhance the province's formal curriculum requirements. By working with a wide range of partners—students and educators, parents and multicultural groups, other related agencies, and the private sector—we developed and delivered new means and resources that optimize the learning experience of all Ontarians, and provide expanded accessibility, insight, and information to the province's many diverse communities.



NANCY CHAPELLE,
MANAGING DIRECTOR,
TVO



2003–04 Milestones

Ensure TVOKids programming—comprising its morning block for preschoolers and its after-school block for older children—and tvokids.com deliver 100% curriculum-based programming.

Building on our reputation of unparalleled programming for young learners, we further strengthened our TVOKids programming with creative, educational content (on air and online), by connecting in-house original programming to the Ministry of Education's Early Years Program, the kindergarten curriculum, and Grade 1–6 curriculum.

Preschool Morning segments such as *Motion Minutes* (fitness), *Marigold's Mathemagics* (mathematics), *Superknowva* (science), *Lotta Clocks* (telling time), and *Magie Gi* (French as a second language), enhanced by Web components, reinforced the kindergarten curriculum.

Partnering with the Art Gallery of Ontario and the Ontario Music Teachers Federation, TVOKids developed convergent (broadcast/Web) projects in the arts in order to support and supplement a wider range of curriculum content and meet needs identified by teachers.

Open Your Ears introduced kids to musical instruments, theory, and improvisation, and in the 2004–05 season

ArtBot will awaken kids to colour, style, and artistic genre.

Both of these programs help boost children's self esteem and confidence.

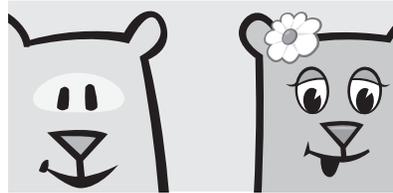
Time Trackers and *Tumbletown Tales* supported Grades 3–4 curriculum needs in the areas of Canadian history and math respectively.



Steve Paikin, Paula Todd, *Studio 2*



Allan Gregg



Tumbletown Tales



TVOKids



Tina Srebotnjak, *Imprint*

Time Trackers produced six 4-part series with Web activities (Sir John A. Macdonald; Harriet Tubman; Banting and Best; Laura Secord; Joe Canada; and Alexander Graham Bell).

Tumbletown Tales produced 10 programs with Web activities to facilitate the learning of the new math strategy.

Geared to teens, *VOX Talk* presented a series of specials encouraging debate on issues such as drugs, bullying, body image, and sex. *VOX* also helped young people research the world of work with advice on career opportunities and volunteerism.

Increase the number of university and college-connected programs and double the number of partners involved in UTVO programming initiatives to 10.

UTVO exceeded objectives by creating over 30 course-connected partnerships between prime time programming and more than 20 colleges and universities across the province, including Brock University in St. Catharines, the University of Ottawa, Lakehead University in Thunder Bay, and Sault College in Sault Ste. Marie. Course subjects covered the gamut from psychology and politics to creative writing and film studies.

Ensure TVO's in-house adult programming has an Ontario focus and is linked to the formal Ontario curriculum, and reflects the province's rich ethnicity on air through its hosts, guests, and subject matter.

TVO continued to provide enriching and innovative in-house adult programming aimed at broadening the horizons and skills sets and professional development of a wide range of audiences including learners at home, students and teachers, and working professionals.

More to Life, our daily information lifestyle magazine, introduced themed days—*More to Health*, *More to Family*, *More to Education*, *More to Ontario*, and *More to Money*—offering viewers practical advice on health, education, and consumer-oriented issues in day-to-day Ontario.

TVO's signature nightly Ontario affairs series *Studio 2* responded to and informed audiences on a variety of Ontario issues, including the hydro energy crisis; elder abuse; outdoor education; sharia law; and small town preservation. In collaboration with the University of Toronto's Munk International Centre, *Studio 2* aired *Hacktivista*, three full

editions that demonstrate how a group of students applied their technical skills to effect social change in Guatemala, and *Going Global*, four full-editions town halls exploring Citizenship in a Changing World.

Studio 2 also featured documentaries that reflect Ontario's distinct people, places, and events: wind farms in Prince Edward County; mining development in Northern Ontario, building homes using recycled tires in Gilmour; and training workers with developmental disabilities in Sarnia.

Person 2 Person introduced audiences to inspiring Ontarians who triumphed against insurmountable odds, for example, Mulugeta Abai (executive director of the Canadian Centre for Victims of Torture), who fled years of torture in Ethiopia; and Sheherazade Alam, a Pakistan refugee who survived the brutal murder of her husband and daughter.

The View From Here maintained its commitment of bringing issues and fresh perspectives that matter most to Ontarians through its commission of provocative documentaries by Canadian filmmakers, including Brian McKenna's four-part series *Korea: The Unfinished War*, and Allan King's *Dying at Grace*.

TVO's book show, *Imprint*, featured new and culturally diverse authors from Ontario and around the world, while addressing literacy issues, including children's books and reading.

Collaborate with the Independent Learning Centre to select appropriate TVO programming to support ILC courses, including distance-learning courses for high school students.

Linking our programs to the Ontario curriculum, TVO and the ILC converged to create integrated Web content and services for our various audiences, and provided support for ILC's *CareerMATTERS* and *Ask a Teacher* Web sites.

As part of its Workforce series, TVO commissioned 26 educational shorts focusing on career opportunities for youth. These will also be integrated into ILC's

UTVO PROGRAMMING

For the Year Ending March 31, 2004

Post-Secondary Partner	Course Title / Number	TVO Program
Brock University St. Catharines	Recreation and Leisure Studies, Advanced Wilderness Program Planning, RECL 4P16	<i>Great Canadian Parks</i>
Carleton University Ottawa	School of Journalism and Communication, International Reporting, 421C	<i>Diplomatic Immunity</i>
Centennial College Toronto	Contemporary Art History, GNED145	<i>Masterworks</i>
Conestoga College Kitchener	Radio Newsroom, Broadcast Journalism, 90463802	<i>Studio 2</i>
University of Guelph	Twentieth Century Global History, HIST 1150 Introduction to Music, MUSC*1060	<i>The First World War</i> <i>Speaking in Strings; Whole Notes</i>
Humber Institute of Technology and Advanced Learning Toronto	The Humber School for Writers, Creative Writing School of Creative and Performing Arts, Comedy: Writing and Performance, Code 12211 International Business, ADM3318	<i>Imprint: Uncut, The Writing Life</i> <i>The Next Big Thing</i> <i>The Corporation</i>
Lakehead University Thunder Bay	School of Outdoor Recreation, Parks and Tourism Theory and Practice of Parks, OUTD 2810	<i>Great Canadian Parks</i>
McMaster University Hamilton	Introduction to Communication, CMST 1A03 Developments in Human Communication: Past and Present, CMST 1B03	<i>Allan Gregg in Conversation with...</i> <i>Allan Gregg in Conversation with...</i>
University of Ottawa School of Management	International Business, ADM3318 Introduction to Business Management, ADM1100	<i>Diplomatic Immunity</i> <i>Commanding Heights</i>
Queen's University Kingston	Tudor and Stuart England, HIST 287	<i>A History of Britain</i>
Ryerson University, Centennial and George Brown College	Collaborative BA Nursing Program Nursing Theory 1, Theoretical Foundations of Nursing, NSE011	<i>Mini-Med School</i>
Sault College Sault Ste Marie	Parks and Outdoor Recreation Program, Adventure Expeditions, NRT214-4 Natural Resources Program, Park Operations, NRT111-4	<i>Great Canadian Rivers</i> <i>Great Canadian Parks</i>
Sheridan College Oakville	Media Arts Program, TV Webcast Magazine Production, MEDA4075	<i>Studio 2</i>
University of Toronto	Maps of Meaning: The Architecture of Belief, PSY 334S Global Networks, POL 108Y	<i>Maps of Meaning: The Architecture of Belief</i> <i>Going Global</i>
University of Toronto at Scarborough and Centennial College	Advanced Interviewing Techniques, JO205 Specialist Joint Program in Journalism (Fall 2004) Joint Paramedicine Program, Professional Issues, Research and Leadership, PMDB41HF	<i>Allan Gregg in Conversation with...</i> <i>Studio 2</i> <i>Mini-Med School</i>
Trent University	Introductory Astronomy, PHYS 150	<i>Cosmic Odyssey</i>
University of Waterloo	Canadian History: The Colonial Period, HIST 253	<i>Canada: A People's History</i>
University of Western Ontario London	King's College Centre for Education about Death and Bereavement, Palliative Care Thanatology, 103-	<i>Dying at Grace</i>
York University, Toronto	Introduction to Creative Writing, AS/HUMA 2900 9.0 Introduction to Filmmaking, FA/FILM 1010 3.0A Hollywood Old and New, FA/FILM 1701 3.0	<i>Writing Lessons; Imprint</i> <i>Film 101</i> <i>Saturday Night at the Movies; The Interviews</i>



Irshad Manji, *Big Ideas*



Monica Kim, *Planet Parent*



Hacktivist



Ian Brown, *The View From Here*



Mary Ito, *More to Life*

English Programming Services | Programming output

For the Year Ending March 31, 2004

Canadian & Foreign Programming Output

	TVO Hours
In-house Production	860.5
Canadian Co-produced & Independently Produced Programming	141.3
Foreign Co-productions, Pre-buys & Acquisitions*	467.0
Subtotal	1,468.8
Question Period	41.2
Total	1,510.0

Captioning

Captioned Programming Broadcast **4,847.8**

* Totals above include the following Acquisition hours respectively:

Canadian Acquisitions	42.8
Foreign Acquisitions	331.2
Total	374.0

Totals may vary slightly from Report 6 and Acquisitions and Co-production year-end reports due to rounding.

Programming Output

	TVO Hours
Productions	860.5
Co-productions & Pre-buys	234.3
Acquisitions	374.0
Subtotal	1,468.8
Question Period	41.2
Total	1,510.0

Looking Ahead

- With our goal of becoming more self-sufficient, TVO and the Development, Marketing, and Communications department will team together to develop an aggressive strategy that will result in increased revenue. We will focus on premium membership acquisitions in order to assist in building membership to 100,000. In order to generate significantly more major gift and sponsorship opportunities, we will develop in-house productions around event-based or interactive programs such as *The Spelling Bee*, *Ontario's Best Lecturer Series*, and *Studio 2's* annual Best Town contest. We will also increase input of original content to the Curriculum Resource Bank.
- Valuing our strong connection with young audiences, TVOKids will continue to produce over 200 hours of engaging and

original curriculum-linked programming and teaching tools.

- Our prime time programming can add unique educational value to university and college courses. We are committed to expanding our college and university partnerships by increasing the number of course connections to this programming. We will also provide blocks of genre programming (children's, documentaries) to faculty of education programs in order to continue building awareness and access to our learning services, encouraging teachers to use new media in their classrooms.
- TVO will reinforce its dedication to community and educational outreach in Ontario, delivering educational content for organizations and agencies across the province, by developing long-term strategic partnerships with various organizations such as the Hospital for Sick Children and its "Success in Schools" program; the Ontario Institute for Studies in Education (OISE), the Art Gallery of Ontario; the Toronto Symphony; the Centre for Addiction and Mental Health; the Ontario Science Centre; The Dominion Institute; and the Historical Society of Canada.
- Led by in-house curriculum consultants to ensure the educational effectiveness of our in-house programming, TVO and ILC will collaborate to deliver resources to both secondary school students and our loyal viewers. We will also work together to create opportunities to cross-promote the ILC and TVO on our respective Web sites, and also create an enhanced content-sharing resource.

TFO PROGRAMMING

TFO is an invaluable and integral asset to the identity and diversity of Ontario's francophone community and an important cultural window for the province's many francophiles. The network focused on strengthening its role by augmenting its broadcast schedule with engaging, curriculum-rich content to fulfill the learning needs of its audiences. We implemented a French-as-a-second-language initiative for French immersion schools and adults interested in learning French in order to create a bridge between English and French Ontario. We also partnered with teachers, post-secondary institutions, other provincial agencies, and with the private sector to formulate new strategies, resources, and programming to further extend and enhance the learning of our audiences.



2003–04 Milestones

Support the cultural and lifelong learning needs of the Franco-Ontarian community by providing high quality, enriching, and informative programs.

TFO completed an exhaustive evaluation of its flagship program *Panorama* and launched the new season in September 2003 with a more community-oriented formula and renewed team structure, in order to better respond to the needs of the Franco-Ontarian community.

TFO produced a sequel to *Villages et visages*, its popular series of 25 years ago, bridging the past and the present for Franco-Ontarians, in order to recognize change and growth over the years that had elapsed. TFO also co-produced *FranCoeur 2*, a sequel to the popular drama series set in Franco-Ontario.

With strong educational goals in mind, TFO introduced *Échos*, a series of 20 historical vignettes from across the province of Ontario.



CLAUDETTE PAQUIN,
MANAGING DIRECTOR,
TFO

For younger audiences, TFO continued to concentrate on the co-production and acquisition of curriculum-linked programming for children and tweens. TFO successfully introduced hosted shorts starring a trio of children's theatre comedians in our programming block for children aged 2–6.

TFO also took every measure to ensure that our in-house productions represented greater regional and ethnic diversity through events coverage, topics, and on-air guests.

Build partnerships within Ontario's francophone educational community in order to support TFO's educational mandate.

TFO was very active in maintaining or seeking new partnerships supporting its mandate. We partnered with the CFORP (Centre franco-ontarien de ressources pédagogiques) to support distance learning



Pierre Granger, Giséle Quenneville, *Panorama*



Mélanie, Déjenné, Dino



Yves-Étienne Massicotte



Volt



Méga TFO

French Programming Services | Programming output

For the Year Ending March 31, 2004

Canadian & Foreign Programming Output

	TFO Hours
In-house Production	359.4
Canadian Co-produced & Independently Produced Programming*	336.3
Foreign Co-productions, Pre-buys & Acquisitions**	250.7
Subtotal	946.4
Question Period	41.2
Total	987.5

Captioning

Captioned Programming Broadcast* **1506.0**

Programming Output

	TFO Hours
Productions	359.4
Commissioned Programs	-
Co-productions & Pre-buys	178.0
Acquisitions	409.0
Subtotal	946.4
Question Period	41.2
Total	987.5

courses for high school students; continued our Conseil pédagogique initiative, an annual two-day consultation with representatives from the Ministry of Education and every French language school board; and maintained our seat on the Curriculum Committee of the Ministry of Education.

Promote diversity in order to reflect the changing reality of the francophone population in Ontario.

TFO introduced an ethno-cultural strategy: we integrated talented and diverse guests and hosts. We produced specific programming such as the weekly segment *Vivre ici* (within

Panorama) and our African cinema. TFO also produced *Rendez-vous TFO*, a one-hour live phone-in program on issues related to racial diversity in Ontario.

Reinforce TFO's presence with new media educational products focused on the Ontario curriculum.

Through its Web site, tfo.org, TFO continued to demonstrate how broadcast, Web, and teacher training activities can be successfully integrated. Partnering with Canal Savoir, TFO introduced a multimedia course using television and the Internet on how to use technology to learn. Nouveaux médias

partnered with the Ministry of Education to produce an e-learning Web tool for Ontario teachers focusing on early reading and early math strategies in both English and French.

Develop and implement a new French-as-a-second-language series for French immersion schools and adults interested in the French language.

TFO continued to produce and distribute greeting kits in both official languages for parents as they register their preschool children in French or French immersion schools. We made *Horaire scolaire* available to both the French and French immersion

Looking Ahead

- TFO will collaborate with the Development, Marketing, and Communications department in strategies to explore and develop partnerships with the corporate community in order to meet our closed captioning targets, as stipulated by the CRTC, by the year 2007.
- TFO will continue its commitment to delivering high quality, multimedia educational services that address both the learning needs of Franco-Ontarians and celebrate the rich diversity of Franco-Ontarian culture.
- We will continue to integrate our broadcast schedule, Web sites, and educational activities to create more engaging learning experiences that will better serve our francophone audiences.
- TFO will collaborate with TVO and the ILC to create an integrated TVOntario approach to educational services by making existing video materials available, where possible, for use in ILC courses.

COMMUNITY OUTREACH

2003–04 was a very busy year for TVOntario as we sought out, developed, and participated in numerous community events and cultural programs across the province. These raised our profile with Ontarians, and strengthened the value of our family of educational programming and services in their daily lives. Highlights include:

1 Public events and appearances

- While in Thunder Bay for the bi-annual RAP Regional Councillors meeting in June, TVOntario held a public community event for the people of Thunder Bay, hosted by TVOKid Gisèle, and featuring live demonstrations of our educational programs and products.
- In June 2003, we hosted a reception at Queen's Park providing Ontario MPPs a first-hand tour of the unique and valuable learning products and services that TVO, TFO, and the ILC offer to their constituents.
- With the September TVOntario fall season launch event in Toronto, we successfully reached out to our key stakeholders in the education community, as well as our corporate supporters and Stars members.
- TFO launched its new broadcast season with an event at Sudbury's Collège Boréal and simultaneously announced the opening of *Panorama's* new northern bureau.
- We participated in Toronto's annual Word on the Street literary festival, showcasing our educational programs and resources such as the *TD Reading Rangers*, *Imprint*, *Saturday Night at the Movies*, *Méga TFO*, and the *Ask a Teacher* and *CareerMATTERS* Web sites.
- Our first high-school graduation for students of the Independent Learning Centre in October was a huge success, celebrating the achievements of graduates from across the province.
- We exhibited at numerous education conferences and events: the Education Training and Career Fair, the *Ontario School Advocate's* Ideas and Inspiration Conference, Reading for the Love of It, and the Ontario Library Association's Superconference.
- Over the 2003–04 broadcast season, the TVOKids Don't Sit Still Tour, powered by Scotiabank, visited 26 Ontario communities, thrilling throngs of young fans with the message that healthy bodies lead to active minds.
- The hosts of *Méga TFO* introduced the scholastic program at the annual Festival franco-ontarien in Ottawa, and entertained kids in Hearst with a family day event at the Conseil des Arts de Hearst.
- Hosts from TFO's *Volt* emceed the annual Jeux franco-ontariens organized by the Fédération de La jeunesse franco-ontarienne (FESFO), the Happenings théâtraux régionaux in Ottawa organized by Théâtre Action, and La Nuit sur l'étang in Sudbury.
- The hosts of *Méga TFO* took the show on the road to several elementary schools in Hearst, Kapuskasing, and Timmins, while the *Volt* hosts visited secondary schools in Hearst, Kapuskasing, Timmins, and New Liskeard.

2 Outreach to key community groups

- We distributed the first-ever *Show Me: It's all about learning!* CD-ROM to every school and library in Ontario, to provide teachers and students with a multimedia catalogue of English language curriculum resources available from TVOntario. This complements the *À l'école* CD-ROM that features TFO curriculum resources available to French-language schools and French immersion programs across the province.
- To build timely awareness of specific educational programs, we created targeted e-campaigns to reach out to diverse audiences: elementary and high-school educators (principals, librarians, math and literature department heads, guidance counsellors); parent and teacher organizations; university and college faculties; ethno-cultural media and organizations; Ontario Chambers of Commerce; forestry, energy and environmental groups; arts groups; youth agencies; medical and palliative care facilities; and agencies for persons with disabilities.

3 Advisory Councils

Integral to our community outreach is the role of our unique province-wide volunteer advisory network. Regional Councillors provide invaluable support at the community level, helping to deliver our educational message to Ontarians far and wide, and providing local community feedback on the effectiveness of our programs and services. They are our pipeline to regional interest groups such as educational institutions, community associations and friendship centres, and their dedication is much appreciated.

In 2003–04 Regional Councillors supported our community outreach goals by meeting with their local libraries and schools to ensure they had received our *Show Me* CD-Rom. Councillors also assisted in securing media coverage on a variety of local-interest programs and issues through the year, and attended a number of local community events on behalf of TVOntario.

Northwestern Regional Council

Cyndi Cossais, Dryden (from September 2003)
Sabrina DeGagne, Atikokan (until February 2004)
Paul Filteau, Thunder Bay (from September 2003)
Tony Gaspar, Manitouwadge (Vice Chair)
Carolyn (Mollie) Isaac, Red Lake (until June 2003)
Chris Joubert, Terrace Bay (until June 2003)
Richard Moore, Keewatin (until June 2003)
Paul Morralee, Thunder Bay (until June 2003)
Hubert O'Hearn, Thunder Bay (from September 2003)
Jocelyn Paquette, Thunder Bay
Paul Pirie, Fort Frances (Chair)
Kim Pirie-Milko, Kenora (from September 2003)

Northeastern Regional Council

Lise Moore Asselin, Mattawa (from May 2003)
Peter Desilets, Sudbury
Andrew Elgee, Timmins (until June 2003)
Marnie Fergusson-Lapierre, Timmins
(from September 2003)
Debora Fleming, Moose Factory
Rick McCutcheon, Little Current
David Shier, Sault Ste. Marie (Vice-Chair)
Bruce MacLeod Thomson, Bracebridge (Chair)

Southwestern Regional Council

Elise Harding-Davis, Harrow
Rachel Hayes, London (from May 2003)
Chester Langille, Brantford (Vice-chair)
Stephen Maxwell, Kitchener (from December 2003)
Rosemary Rognvaldson, Gorri
David Shortt, Sarnia (until June 2003)
Stewart Wayne Sinclair, Chatham
(from December 2003)
Graham Steeves, Port Elgin (Chair)
Timothy Tunks, Chatham (until June 2003)

Southcentral Regional Council

Jorge Campos, Willowdale
Heather Kenny, Bailieboro (Chair)
Gerry Manno, Oakville
Ian McLellan, Aurora (until June 2003)
Cynthia Meyrick, Penetanguishene (Vice Chair)
Sharon Summers, Kirkfield (September 2003)
Charlene Tehkummah, Toronto

Eastern Regional Council

Calvin Bowry (from December 2003)
Keith Clingen (from September 2003)
Coralie Bartley, Richmond (until June 2003)
Gregory Dunlop, Nepean (Chair)
Narda Kathaleen Iulig, Deseronto
Joanne John, Ottawa

Sheila Soden, Belleville (from December 2003)
George Hodgkinson, Pembroke (until June 2003)
Gail Lynn Sproul, Plainfield (Vice Chair)
Carole Weir, Kingston (until September 2003)

Francoophone Advisory Council

Ronald Boivin, Cochrane (until June 2003)
Yvon Desroches, Cochrane (from September 2003)
Benoît Fournier, Terrace Bay (from September 2003)
François Guérin, Toronto (Vice-chair)
Nathalie Lalonde, Rockland (from May 2003)
André Messier, Elliot Lake (until June 2003)
Dina Quenneville, Geraldton (from September 2003)
Johanne Sylvain, Sarnia
Nicole Wirtz, Dundas (Chair)

4 Awards

With nearly 900 awards to our credit, TVOntario continued to accumulate accolades and prizes at home and around the world in recognition of its high quality educational programming and Web sites. Awards for 2003-04 include:

- TVO's *Studio 2*: Gemini Award for Best Canadian Talk Series
- TVO-commissioned documentary *The True Meaning of Pictures*: Gemini Award for Best Arts Documentary and McLuhan's Wake (Best Sound)
- TVO-commissioned documentary *McLuhan's Wake*: Gemini Award for Best Sound
- TVO's *Your Health*: Registered Nurses Association of Ontario 2003 Media Award for Excellence in Healthcare Reporting
- TVO's *Studio 2* documentary *Acceptable Risk*: honoured in the "safety" category at 2004 Waterwalker Film Festival
- TFO co-production *Le Chateau magique*: Gemini Award for Best Pre-school Program
- TFO co-production *Wumpa 2*: Gemini Award for Best Performance in a Pre-School program or Series
- TFO: Silver Promax Award for Best Holiday Campaign
- TFO: Silver Promax Award for Best Station ID Campaign

- TFO: Prix Laurier for the Organization of the year, given by l'ACFO d'Ottawa-Carleton (Association canadienne-française de l'Ontario, Conseil régional d'Ottawa-Carleton)
- TFO Web site *Canada dans l'espace*: 2003 AMTEC (Association for Media and Technology in Education in Canada) Award of Merit
- TFO's *Canada à la carte*: Prix Blizzard 2003 from the Manitoba Television and Cinema Industry
- TFO : Prix Anniversaire awarded by AEFO (Association des enseignantes et des enseignants franco-ontariens)
- *mégatfo.com*: finalist for MIM D'OR best children's Web site
- TFO's *Elle l'attend* (an on-air poem that aired as an interstitial): chosen and presented at the Festival des films d'art de Montréal 2003

Looking Ahead

- The Communications department will become integrated into the Development, Marketing, and Communications department and continue to service the partnerships for additional educational outreach, such as *TD Reading Rangers* and the *Scotiabank Don't Sit Still Tour*.
- We will create an educational outreach team to tour the province presenting TVOntario's broad range of educational programs and services from all three business lines—TVO, TFO, ILC.
- We will continue to build on our relationships with other presenting organizations, such as Word on the Street, in order to find the most cost-effective way of demonstrating our educational products to all Ontarians.
- We will participate in the Lieutenant Governor's new campaign for literacy in First Nations communities in northern Ontario.

GENERAL OPERATIONS

The General Operations area includes the Finance and Administration, Human Resources, Legal, Internal Audit, Information Technology, Broadcast Operations and Distribution, and Communications departments. It is responsible for providing the most reliable and efficient tools, systems, and technical resources that support the development and distribution of content and educational services. Moving toward a “learning organization” that encourages innovation, we explored the use of technology to enhance our learning products and engaged staff in the pursuit of our educational mandate. We also developed and implemented marketing and communication strategies to strengthen awareness of our educational products to the education community, government, and business sector.



LEE L. ROBOCK,
GENERAL MANAGER
AND CHIEF OPERATING
OFFICER



2003–04 Milestones

1 Technical infrastructure

Complete the post-production plant rebuild.

The post-production plant rebuild was successfully completed in November 2003—on schedule and under budget. Extensive training was also completed and business processes were refined to ensure optimal facility use.

Begin research and development of options to upgrade to digital capability in field equipment.

We undertook the development of an integrated application for managing our content and learning objects.

2 Business Systems

Create an IT steering committee for systems upgrading and performance and reliability enhancement.

Following an exhaustive assessment of its performance across the organization, the IT Department improved performance standards through a quality service agreement and implemented a number of changes in the management of our network infrastructure. A mid-year evaluation has shown significant improvement in IT services and systems reliability. On the technical side, we completed the installation of various security measures to protect both our users and information, including the consolidation of all of our servers in a new data centre for improved management.

Complete the implementation of the new financial systems.

As a result of an extensive research phase, the PeopleSoft financial system was installed over the summer, going live in the fall. This new system will provide more timely and detailed financial information to managers and a greater degree of analysis in understanding our business more thoroughly. Adding a purchasing module and project management module will be the next phase in improving our financial system.



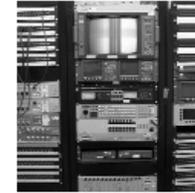
TVOntario branding insert



Show Me CD-ROM



Post-production plant rebuild



Technical upgrade



TVOntario's family of services

3 Staff Development

Position the workforce to meet the challenges of new technologies and changes in the workplace through training, succession planning, and skills development.

In 2002–03, we concentrated on providing technical training related to the new technical facility. In 2003–04, we completed the training for staff, as well as management development aimed at the most critical skills gaps identified through a skills assessment exercise. Pilot programs were run and a service provider has been identified in preparation for a full program in 2004–05.

Share knowledge on development in industry and in education.

An internal program of "Lunch and Learn" sessions held through the fall and winter helped to increase knowledge of TVOntario's activities and recognition of the faces behind the programs and services, as well as celebrate the achievements of fellow employees.

4 Innovation

Encourage creative thinking and innovation by launching the Innovation Fund, which sought proposals from all levels of staff.

We budgeted for financial resources for the Innovation Fund. The senior management group set criteria for proposals focusing on content development using new media and invited staff to submit their ideas. We received 17 proposals and a project was selected for development in 2004–05.

5 Communications

Build brand awareness among key stakeholder groups.

We repositioned TVOntario and its family of services through our new corporate branding, "It's all about learning!" and launched our programming season with the "Please Adjust Your Mindset" insert that was distributed to 750,000 homes around the province. We also created a new ILC logo and branding and introduced its suite of services to students.

Increase community outreach activities to five new communities.

Our Regional Councillors demonstrated their invaluable support by promoting our educational services and resources in all regions of the province, particularly to schools and libraries. We also participated in numerous Aboriginal and multicultural events, and executed publicity campaigns targeting ethnic media and partnerships with other community members such as libraries, homework clubs, and after-school groups in order to improve awareness and use of our educational programming and services.

Work with teachers to promote TVO, TFO, and ILC and seek their advice on future needs.

We assembled a teachers advisory committee to seek input on the development of new resources and to help this important group make the most effective use of our learning resources. To enhance the use of our resources, we also created and released the *Show Me* CD-ROM which showcases TVOntario's educational programs and services to teachers. With the help of our Regional Councillors, we also visited libraries across Ontario and distributed materials promoting our educational services, including the new *Show Me* CD-ROM.

Looking Ahead

- Ever mindful of our primary goal for 2004–05 of improved self-sufficiency, we will increase our ability to sell capacity on our transmitter network and technical facilities.
- We will accelerate both our plan's timelines and targets in order to streamline business processes and introduce operating efficiency.
- We will expand our outreach strategy in the educational sector to ensure the use of our educational programs and services in classrooms and homes across the province, and to help Ontario children achieve success in literacy and numeracy.

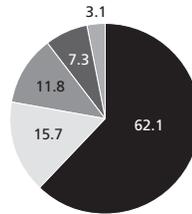
REVENUE & DEVELOPMENT



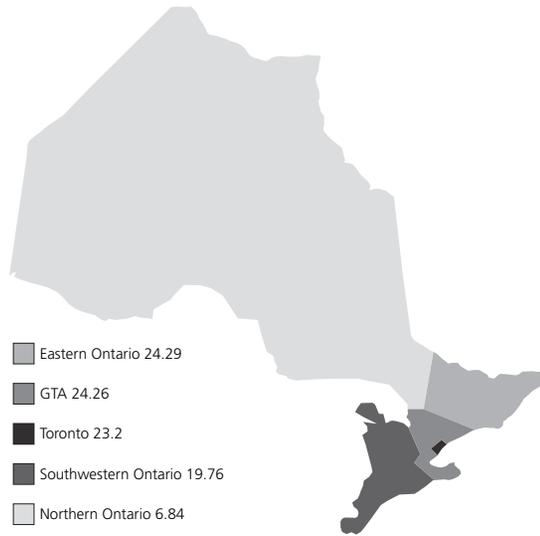
ROBERTA GARCIA,
DUTY OFFICER,
REVENUE AND
DEVELOPMENT

In 2003–04, the Revenue and Development department made significant advances towards increasing self-generating revenues. During this period, we introduced exciting new member program initiatives and marketing campaigns, as well as formed strategic alliances with a broad range of community and corporate partners to increase our renewable resource, providing greater financial self-sufficiency.

Revenues (millions)



* Fundraising, program sales, sponsorships and corporate project funding
** Rental and maintenance contracts, student enrolment fees, cable revenues



Membership Across Ontario and beyond (percentage)

members
make it happen

2003–04 Milestones

Build the active Membership base and enhance donor stewardship.

TVOntario's active membership grew to 88,043 in 2003–04, on track to reach our benchmark of 100,000 members by December 31, 2004. Membership revenue grew to \$6.684 million. We introduced DocTVO, a new membership affinity program, and enhanced our other membership programs.

Increase the content and usage of the Curriculum Resource Bank and develop a marketing plan for extended use of ILC products and services beyond Ontario.

The Sales and Licensing division increased the content of the Curriculum Resource Bank by 10% and embarked on an aggressive U.S. marketing campaign to build awareness of the product.

Develop a strategy to secure other government funding by initiating new relationships with the corporate community and private foundations.

For the 2003–04 period, sponsorship and corporate project funding totalled \$1.356 million and 13 new relationships with various corporations and private foundations were created. Overall, Revenue and

Development achieved gross revenues of \$9.2 million.

Looking Ahead

- The Revenue and Development department will work collaboratively with TVO, TFO, and the ILC to devise and implement exciting new initiatives to increase our financial self-sufficiency.
- By leveraging the integration of activity in Membership and Major Gifts, we will continue to focus on growing our active Membership base to reach and surpass our 100,000 member milestone by the third quarter.
- We will continue to seek new partnerships with corporations, foundations, and other community members with the aim of building multi-year relationships.
- Our Sales and Licensing division will develop strategic plans to actively market the CRB and ILC products in the U.S.
- The TVOntario Foundation will continue to develop a \$10 million endowment campaign, as well as launch a Planned Giving Initiative.



A History of Britain



Heartbeat



Saturday Night at the Movies



The Life of Mammals



The View From Here: Dying at Grace

STARS MEMBERS

Star Members are our leading level of donors, playing a significant role in furthering the excellence of TVOntario's educational programming and resources. In 2003–2004, this group of supporters grew by almost 10%. We are pleased to recognize the following TVOntario Stars:

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Robert Alexander
E. Anderson
David Anderson
Alexander Anthony
Anne-Marie H. Applin
June Ardiel
Helen A. Argiro
Jonathan & Joanne Arnel
Alexandra & James Arnett
L. Arnott
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Robert Atkinson
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John Bancroft
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William Barrowclough
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Marion Bassett
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Stephen Coxford
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Anil Purandaré
David Purcell
Cecelia Quarrington
Harold W. Quinn
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Marguerite Redman
Kenneth C. Reeves
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C O R P O R A T E F U N D E R S

In 2003–04, TVOntario received tremendous support from the corporate and community sectors across Ontario. We would like to thank those companies and organizations that have helped enrich the lives of Ontarians of all ages through their commitment to lifelong learning at TVOntario.

TVOntario Corporate Partners

Lead Corporate Educational Partners

TVOntario recognizes the following corporations for their outstanding leadership and commitment to our mandate of providing quality educational programming, both on air and online:

Children's Literacy Partner

The TD Bank Financial Group is the proud presenting partner of TVO Kids *Reading Rangers*.

Career Partner

BMO Financial Group is the proud presenting partner of TVOntario's *CareerMATTERS* Web site.

Healthy Minds – Healthy Bodies Partner

Scotiabank is the proud presenting partner of the TVO Kids *Don't Sit Still Tour*.

Online Education Partner

RBC Financial Group is the proud presenting partner of *Ask a Teacher*.

Spelling Bee Partner

AIC Limited is the proud presenting partner of TVO's broadcast of *The Spelling Bee of Canada's 2004 Ontario Championships*.

Nutrition Partner

The Dairy Farmers of Ontario is the presenting partner of TVO's *The Bod Squad*.

Social Responsibility Partner

The LCBO is proud to partner with TVOntario in presenting its responsible drinking campaign.

Energy and Environment Partner

Ontario Power Generation proudly supports TVOntario's programming.

TFO Programming Partners

Canadian Heritage; Ministry of Tourism and Recreation of Ontario; Ministry of Education of Ontario; and Ministry of Education of Manitoba proudly support TFO programming series.

Presenting Partners

TVOntario would like to thank the following companies and organizations for their support in helping TVOntario present quality educational programming to the people of Ontario:

Bell Canada, Ontario Regional Divisions
Bombardier
Broadcasting Captioning and Consulting Services
CIBC, Manitouwadge
United Counties of Prescott-Russell
Four Seasons Hotels
Historica Foundation
The Institute of Chartered Accountants of Ontario
Maxell Canada
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Ontario Savings Bonds
Ontario Science Centre
Ontario Lottery and Gaming Corporation
Ontario Tourism Marketing Partnership Corporation
Pearson Education Canada
The Responsive Marketing Group

Saltspring Software
Urbacon Limited

Community Partners

TVOntario would like to thank the following companies and organizations for their generous support over the past year through donations towards TVOntario's Membership campaign and the Regional Advisory Councils' "Rap" 2003:

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Communications, Energy and Paperworkers Union of Canada
Confederation College
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Nicholas Hoare Bookstores
Norcan Tours
Old Fort William Tour
Olliffe
Pizza Pizza
The Corporation of Massey Hall and Roy Thomson Hall
Rotary Club of Port Elgin
Royal Botanical Gardens
Royal Ontario Museum
Salon Piaff Inc.
Shoppers Drug Mart
Tim Hortons
Tom Jones Corporation
Tom's Place
Toronto International Film Festival Group
Toronto Symphony Orchestra
Tundra Books

OECA Board of Directors

April 1, 2003 to March 31, 2004

Isabel Bassett

Chair and CEO, Toronto (appt. December 8, 1999 to December 2005)
(ex-officio member of all Board Committees)

Gisèle Chrétien

Vice-Chair, Sudbury (appt. September 9, 2002 to June 2005) (designated Vice-Chair as of July 2003)
Acting Chair from September 2 to October 3, 2003
Présidente, Collège Boréal
1, 4-VC, 6

Anne-Marie H. Applin

Toronto (appt. July 1, 2001 to June 2004)
President, Applin Marketing and Communications
3-C, 5, 6

Vala Monestime Belter

Mattawa (appt. March 1, 2000 to June 2005)
Director of Nursing/Asst. Administrator,
Algonquin Nursing Home
3, 4

**John Belyea

Toronto (appt. August 27, 1997 to June 2003)
Vice-President, Creighton & Co.
Insurance Brokers Ltd.
3, 4-C, 5

*Stephen R. Coxford

Toronto (appt. July 1, 2003 to June 2006)
President, Gresham & St. Andrew Inc.
1

Salary Disclosure†

Clara Arnold

Director, Human Resources
Salary Paid: \$ 108,647
Taxable Benefits: \$ 903

Isabel Bassett

Chair and Chief Executive Officer
Salary Paid: \$ 104,827
Taxable Benefits: \$ 11,948

Russell Blackburn

(Professional name: Pierre Granger)
Host/Producer
Salary Paid: \$ 133,570
Taxable Benefits: \$ 673

Rudy Buttignol

Creative Head, Documentaries, Drama and Network
Salary Paid: \$ 114,144
Taxable Benefits: \$ 948

Ellen T. Cole

Director, Communications
Salary Paid: \$ 103,894
Taxable Benefits: \$ 864

Pat Ellingson

Creative Head, Children's and Daytime Programming
Salary Paid: \$ 118,344
Taxable Benefits: \$ 973

Doug Grant

Creative Head, Current Affairs
Salary Paid: \$ 122,564
Taxable Benefits: \$ 1,018

Sarah Irwin

Managing Director, Independent Learning Centre
Salary Paid: \$ 106,212
Taxable Benefits: \$ 880

Michel Gingras

Alfred (appt. July 1, 1998 to June 2004)
Directeur général, Caisse Populaire d'Alfred Limitée
1-C, 2-C, 5

Mitzie J. Hunter

Toronto (appt. September 26, 2001 to June 2004)
Vice-President, Marketing, Goodwill
3, 4, 6-C

*Rebecca Ling

Markham (appt. July 1, 2003 to June 2006)
Principal, Rebecca Ling Chartered Accountants Professional Corporation
2

**Joseph E. Martin

Toronto (appt. August 13, 1997 to June 2003)
Executive in Residence and Adjunct Professor, Rotman School of Management, University of Toronto
2, 4, 5

Ravi Seethapathy

Toronto (appt. September 26, 2001 to June 2004)
Audit Associate Manager, Hydro One Networks Inc.
1, 2, 5-C, 6

Diane Simard

Toronto (appt. April 9, 2002 to June 2005)
Vice President and Manager, Dave Broadfoot Productions
3, 4

Nancy Smith

Toronto (appt. March 5, 2003 to June 2005)
Chief Executive Officer, The NextMedia Company Limited
3, 4-C, 5

Steve Paikin

Host/Producer
Salary Paid: \$ 173,572
Taxable Benefits: \$ 2,692

Claudette Paquin

Managing Director, TFO
Salary Paid: \$ 120,153
Taxable Benefits: \$ 997

Lee Robock

General Manager and Chief Operating Officer
Salary Paid: \$ 138,539
Taxable Benefits: \$ 3,197

Pamela Taylor

Director, Legal Services and General Counsel
Salary Paid: \$ 114,051
Taxable Benefits: \$ 945

Paula Todd

Host/Producer
Salary Paid: \$ 171,586
Taxable Benefits: \$ 2,931

† In 1996, the government of Ontario instituted the Public Sector Salary Disclosure Act. Under the provisions of this act, TVOntario is required to post the total compensation package of employees earning over \$100,000 for the calendar year of 2003. Prepared under the Public Salary Disclosure Act, 1996. Date: March 17, 2004

**John E. A. Tyson

Clifford (appt. November 9, 2000 to June 2003)
Medical Director, C.A.R.E. Health Resources
1-VC, 2-VC, 3

**Blake Wallace QC

Vice-Chair, Toronto (appt. March 5, 1997 to June 30, 2003)
Vice-President and General Counsel,
Murray and Company
1, 2

Olga Kuplowska

Board Secretary

Total honorarium paid to board members (exclusive of the Chair) during the 2000-04 fiscal year was \$23,387. This amount corresponds to recommended levels of remuneration set by the Lieutenant Governor in Council. Board members contributed \$3,300 in donations to the TVOntario membership campaign.

Legend:

* New Appointments in 2003-04
** Departures in 2003-04

Board Committees served on:

1 Finance
2 Audit
3 Revenue & Development
4 Programming
5 Strategic Planning & Priorities
6 Ad Hoc Communications
C Committee Chair
VC Committee Vice-Chair

TVOntario Foundation Honorary Board of Directors

The Hon. William G. Davis

Former Premier of Ontario

Dr. Frederic L. Jackman

Norman Jewison
Film Director

Elwy Yost

Former Host, Saturday Night at the Movies

TVOntario Planning and Priorities Group

April 1, 2003 to March 31, 2004

Isabel Bassett

Chair and Chief Executive Officer

Nancy Chapelle

Managing Director, TVO

Blair Dimock

Director, Strategic Planning

Roberta Garcia

(as acting Managing Director) – from July 14, 2003 to June 1, 2004
Revenue & Development

Sarah Irwin

Managing Director, ILC

Olga Kuplowska (ex-officio)

Director, Board Secretariat, Councils and Research

Claudette Paquin

Managing Director, TFO

Susan Perren

Executive Director, TVOntario Foundation

Lee Robock

General Manager and Chief Operating Officer

David Shea

Managing Director, Revenue & Development until July 25, 2003

TVOntario Foundation Board of Directors

Angela Ferrante, Chair

Toronto
COO, Ontario Energy Board

Anne-Marie H. Applin

Toronto
President, Applin Marketing & Communications

Isabel Bassett

Toronto
Chair & CEO, TVOntario

Stephen Coxford

Toronto
Gresham & St. Andrew Inc.

Erin Rankin-Nash

London

Gerry Schwartz

Toronto
President, Chairman & CEO, Onex Corporation

Rebecca Ling

Markham
Rebecca Ling Chartered Accounts

Navin Chandaria

North York
President & CEO, Canros Corporation

André Galipeault

Toronto
The Galipeault Group Inc.

Margaret Norrie-McCain

Toronto

Barry Campbell

Toronto (until September 2003)
Chairman, APCO Worldwide

AUDITOR'S REPORT

Office of the
Provincial Auditor
of Ontario



Bureau du
vérificateur provincial
de l'Ontario

Box 105, 15th Floor, 20 Dundas Street West, Toronto, Ontario M5G 2C2
B.P. 105, 15e étage, 20, rue Dundas ouest, Toronto (Ontario) M5G 2C2
(416) 327-2381 Fax: (416) 327-9862

To the Ontario Educational Communications Authority and the Minister of Training, Colleges and Universities.

I have audited the statement of financial position of The Ontario Educational Communications Authority as at March 31, 2004 as well as the statement of operations and equity, the statement of changes in equity and the statement of cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion of these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

J. R. McCarter, CA
Assistant Provincial Auditor

Toronto, Ontario
June 4, 2004

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements have been prepared in accordance with Canadian generally accepted accounting principles and are the responsibility of management. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods. The financial statements have been properly prepared within reasonable limits of materiality and in light of information available up to June 4, 2004.

Management maintains a system of internal controls designed to provide reasonable assurance that the assets are safeguarded and that reliable financial information is available on a timely basis. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities. The Internal Audit Department of the Ontario Educational Communications Authority (OECA) independently evaluates the effectiveness of these internal controls on an ongoing basis and reports its findings to management and the Audit Committee of the Board of Directors.

The OECA Board of Directors is responsible for ensuring that management fulfills its responsibilities. The Board has appointed an Audit Committee from among its own members. The audit committee meets periodically with management, Internal Audit, and the Office of the Provincial Auditor to discuss audit, internal control, accounting policy, and financial reporting matters. The financial statements were reviewed jointly by the Audit and Finance Committees before approval by the Board of Directors.

The Office of the Provincial Auditor conducts an annual audit in accordance with Section II of the Ontario Educational Communications Authority Act. The auditor's report outlines the scope of the auditor's examination and opinion.

Isabel Bassett
Chair and Chief Executive Officer
Ontario Educational Communications Authority

Toronto, Ontario
June 4, 2004

THE ONTARIO EDUCATIONAL COMMUNICATIONS AUTHORITY FINANCIAL STATEMENTS

For the year ended March 31, 2004

Statement of Financial Position

As at March 31, 2004

	2004	2003
	(\$000's)	(\$000's)
Assets		
Current Assets		
Cash and short-term investments (note 3)	8,436	11,525
Accounts receivable (note 4)	4,698	3,349
Inventories	467	451
Prepaid expenses	758	521
	14,359	15,846
Accrued pension asset (note 5)	3,410	4,579
Investments held for Capital Renewal (note 6)	4,046	3,811
Net Capital Assets (note 7)	21,431	20,955
Total Assets	43,246	45,191
Liabilities and Equity		
Current Liabilities		
Accounts payable and accrued liabilities	7,599	9,948
Deferred revenue (note 8)	5,248	3,223
Lease obligations (note 9)	38	64
	12,885	13,235
Non-Current Liabilities		
Lease obligations (note 9)	0	38
Employee future benefits (note 5)	2,495	1,770
Deferred capital contributions (note 10)	18,170	19,341
	20,665	21,149
Equity		
Invested in capital assets	7,269	5,324
Restricted – Accrued pension asset (note 5)	3,410	4,579
Unrestricted	(983)	904
	9,696	10,807
Total Liabilities and Equity	43,246	45,191

Commitments and Contingent Liabilities (notes 14 and 17)

See accompanying Notes to Financial Statements.

On behalf of the Board:



CHAIR



DIRECTOR

Statement of Operations and Equity

For the year ended March 31, 2004

	2004	2003
	(\$000's)	(\$000's)
Revenues		
Government grants and funding (note 11)	60,176	56,717
Self-generated revenue (note 12)	14,819	15,608
Amortization of deferred capital contributions (note 10)	2,361	1,775
Deferral of pension charges (note 5)	0	237
Capital revenue and renewal fund, net	0	247
	77,356	74,584
Expenses		
Educational services (note 13)	62,806	61,083
Cost of self-generated revenue (note 12)	5,645	5,554
Administrative services	5,310	5,130
Amortization of capital assets	3,537	2,973
Pension expense (note 5)	1,169	0
	78,467	74,740
Deficiency of revenues over expenses	(1,111)	(156)
Equity, beginning of year	10,807	14,163
Gift to TVOntario Foundation	0	(3,200)
Equity, end of year	9,696	10,807

See accompanying Notes to Financial Statements.

Statement of Changes in Equity

For the year ended March 31, 2004

	2004			2003	
	(\$000's)			(\$000's)	
	Invested in Capital Assets	Restricted Accrued Pension Asset	Unrestricted	Total	Total
Balance, beginning of year	5,324	4,579	904	10,807	14,163
Excess/(Deficiency) of revenues over expenses	(1,176)	(1,169)	1,234	(1,111)	(156)
Investment in Capital assets	3,121	0	(3,121)	0	0
Gift to TVOntario Foundation	0	0	0	0	(3,200)
Balance, end of year	7,269	3,410	(983)	9,696	10,807

See accompanying Notes to Financial Statements.

Statement of Cash Flows

For the year ended March 31, 2004

	2004 (\$000's)	2003 (\$000's)
Operating Activities		
Deficiency of revenues over expenses	(1,111)	(156)
Add/(deduct) non-cash items:		
Amortization of capital assets	3,537	2,973
Amortization of deferred capital contributions	(2,361)	(1,775)
Pension expense (income)	1,169	(237)
Post retirement benefits	725	637
Gain on disposal of capital assets	(4)	(27)
Net change in non-cash working capital:		
Accounts receivable	(1,349)	(707)
Inventories	(16)	126
Prepaid expenses	(237)	157
Deferred revenue	2,025	191
Accounts payable and accrued liabilities	(2,349)	842
Cash provided by operating activities	29	2,024
Investing and Financing Activities		
Capital asset additions	(4,043)	(7,472)
Current year's deferred capital contributions	955	5,060
Proceeds from disposal of capital assets	34	55
Lease obligations	(64)	(97)
Gift to TVOntario Foundation	0	(3,200)
Cash used in investing and financing activities	(3,118)	(5,654)
Net decrease in cash position during the year	(3,089)	(3,630)
Cash and short-term investments, beginning of year	11,525	15,155
Cash and short-term investments, end of year	8,436	11,525

See accompanying Notes to Financial Statements.

Notes to Financial Statements

For the year ended March 31, 2004

1 Authority and Mandate

The Ontario Educational Communications Authority (the Authority) is a provincial Crown Corporation that was created in June 1970 by an act of the Ontario Legislature. In accordance with the act, the Authority's main objective is to initiate, acquire, produce, distribute, exhibit or otherwise deal in programs and materials in the educational broadcasting and communications fields.

The Authority is a registered charitable organization which may issue income tax receipts for contributions. As a Crown Corporation of the Province of Ontario and a registered non-profit organization under the Income Tax Act, the Authority is exempt from income taxes.

2 Summary of Significant Accounting Policies

(a) Basis of accounting

The financial statements of the Authority have been prepared in accordance with Canadian generally accepted accounting principles.

(b) Inventories

Program support materials are valued at the lower of cost or net realizable value where cost is determined on a weighted average basis. Stores and supplies are valued at cost, where cost is determined on a first in, first out basis and is net of an allowance for obsolescence. Video and audio tapes are valued at the lower of cost or net realizable value, where cost is determined on a first in, first out basis.

(c) Capital Assets

Capital assets are recorded at cost less accumulated amortization. Capital assets are amortized on a straight line basis over the following terms beginning the year following acquisition:

Building	30 years
Transmitters	17 years
Transmitter Monitoring Equipment	7 years
In-house Technical Equipment	7 years
Leasehold Improvements	5 years
Computer Equipment	5 years
Office Furniture & Fixtures	15 years
Office Equipment	10 years
Vehicles	5 years

(d) Revenue recognition

i. Revenue from the licensing of program material is recognized when the rights to the program material are sold.

ii. Membership contributions are recorded on a cash basis. Contributions from corporate sponsors are recognized when the contract is signed, except multi-year contributions that are recognized when the cash is received.

iii. Grants and revenues received in the year for special purposes are deferred until the related expenses have been incurred.

iv. Revenue from contributions restricted for the purchase of capital assets is deferred and amortized over the same period as the related capital asset.

v. Student fees for courses and General Education Development testing are recognized as revenues at the time of registration.

(e) Employee Future Benefits

The Authority accrues its obligations under employee defined benefit plans and the related costs, net of plan assets. The transitional asset and obligations are being amortized over the expected average remaining service period of active employees expected to receive benefits under these plans. The cost of pension benefits and other post retirement benefits for the defined benefit plans are actuarially determined by

independent actuaries using the projected benefit method prorated on services and management's best estimates. Pension plan assets are valued at market value.

(f) Use of Estimates

The presentation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3 Cash and Short-term Investments

The Authority's investment policy restricts short-term investments to securities issued by or guaranteed as to principal and interest by Ontario, any other province of Canada, Canada or the United Kingdom, securities issued by the United States of America or deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued or endorsed by any chartered bank to which the Bank Act (Canada) applies.

Cash and short-term investments of \$8,436,000 (2003 – \$11,525,000) include \$7,137,000 (2003 – \$8,311,000) of investments maturing within 180 days, yielding 2.5% (2003 – 2.7%) on average during the year, with a market value that approximates carrying value.

4 Accounts Receivable

	2004	2003
	(\$000's)	(\$000's)
Project funding	2,934	1,937
Trade	1,015	830
Other	749	582
	4,698	3,349

5 Employee Future Benefits

The Authority maintains non-contributory defined benefit pension plans for most of its employees. Under its defined benefit pension plans, the Authority had an accrued pension asset at March 31 of \$3,410,000 (2003 – \$4,579,000). The Authority's pension charges for the year were \$1,169,000 (2003 – \$237,000 income). No employer contributions were made to the plan during the year, and pension benefits paid were \$2,520,000 (2003 – \$2,282,000).

The Authority also maintains a defined contribution pension plan for its employees. No contributions were made to the defined contribution pension plan during the year (2003 – \$0).

The Authority also offers non-pension post retirement benefits such as health care to employees through defined benefit plans on a cost sharing basis. At March 31, the unfunded post retirement benefit plan had a net accrued benefit liability of \$2,495,000 (2003 – \$1,770,000). The post retirement benefits paid by the Authority during the year were \$94,000 (2003 – \$87,000). The Authority's post retirement benefits expense for the year was \$820,000 (2003 – \$724,000).

The most recent valuation of the main defined benefit pension plan, executive pension plan, and post employment benefit plan was as of January 1, 2004. The funded status of the Authority's defined benefits plans at March 31, in aggregate was as follows:

	Pension Benefit Plans		Post Retirement Benefit Plan	
	2004	2003	2004	2003
	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Market value of plan assets	76,975	68,455	0	0
Accrued benefit obligation	75,162	67,842	6,440	5,349
Plan surplus/(deficit)	1,813	613	(6,440)	(5,349)

The significant actuarial assumptions adopted in measuring the Authority's accrued benefit obligations are:

	Pension Benefit Plans		Post Retirement Benefit Plan	
	2004	2003	2004	2003
Discount rate	6.00%	6.50%	6.00%	6.50%
Expected investment return on plan assets	8.00%	8.00%	0	0
Rate of compensation increase	4.50%	4.50%	N/A	N/A
Health cost increase	N/A	N/A	9.00%	8.50%
Dental cost increase	N/A	N/A	4.50%	4.50%

Effective January 1, 2003, the pension plan covering most employees was amended to allow an unreduced pension benefit when the sum of the member's age and credited service equals 80 years or more rather than 85 years or more. The minimum age requirement remains at 55 years. Effective January 1, 2004, this benefit was extended to the members of the executive plan. Eligible members of the plans may also take advantage of an early retirement window that offers unreduced pension and bridge benefits if they retire between January 1, 2003 and December 31, 2004. The impact of the early retirement window effective January 1, 2004 has not been factored into the fiscal year's actuarial results.

6 Investments Held for Capital Renewal

Since 1984, a portion of the funding received each year has been set aside to ensure that the Authority's technical capital assets keep pace with technological changes and can be maintained or replaced when needed. Available funds were invested in short-term deposits that earned an average interest rate of 2.8% during the fiscal year. The changes in the were as follows:

	2004	2003
	(\$000's)	(\$000's)
Balance, beginning of year	3,811	8,034
Allocation of grants:		
Ministry of Training, Colleges and Universities, (note 11)	961	961
Ministry of Education, (note 11)	128	0
Interest earned	101	122
Drawing for capital acquisitions	(955)	(5,306)
Balance, end of year	4,046	3,811

7 Net Capital Assets

Capital assets consist of the following:

	2004 (\$000's)		2003 (\$000's)	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	236	0	236	236
Buildings	4,760	3,042	1,718	1,851
Transmitters	27,027	22,810	4,217	4,909
Transmitter monitoring equipment	1,105	864	241	270
In-house technical equipment	25,952	18,832	7,120	5,388
Leasehold improvements	7,630	3,648	3,982	2,197
Computer equipment	6,204	3,779	2,425	2,173
Office furniture and fixtures	2,693	1,758	935	687
Office equipment	1,159	1,002	157	245
Vehicles	534	428	106	182
Construction in Progress	294	0	294	2,817
	77,594	56,163	21,431	20,955

8 Deferred Revenue

	2004 (\$000's)	2003 (\$000's)
Provincial government programming project funding (note 11)	5,183	3,098
Corporate project funding and other revenue	65	125
	5,248	3,223

Expenditures related to the above deferrals have been budgeted for the 2005 fiscal year.

9 Lease Obligations

Lease obligations represent the balance of the commitments made under capital leases. The changes in the lease obligations balance are as follows:

	2004 (\$000's)	2003 (\$000's)
Lease obligations, beginning of year	102	199
Less: Payments made on existing capital leases	(64)	(97)
Lease obligations, end of year	38	102
Current lease obligations	38	64
Non-current lease obligations	0	38
	38	102

10 Deferred Capital Contributions

Deferred capital contributions represent contributions received for the purchase of capital assets and are recorded as revenue in the Statement of Operations and Equity when the related capital assets are amortized. The changes in the deferred contributions balance are as follows:

	2004 (\$000's)	2003 (\$000's)
Deferred capital contributions, beginning of year	19,341	20,279
Add: Allocation of grants:		
Ministry of Training, Colleges and Universities	961	961
Ministry of Education	128	0
Interest earned	101	122
Current year's deferred capital contributions	955	5,060
Less: Drawing for capital acquisitions	(955)	(5,306)
Amortization of capital contributions	(2,361)	(1,775)
Deferred capital contributions, end of year	18,170	19,341

11 Government Grants and Funding

	2004 (\$000's)	2003 (\$000's)
Provincial		
Ministry of Training, Colleges and Universities:		
Base Grant	48,040	48,040
Less: Amount allocated for capital renewal (note 6)	(961)	(961)
	47,079	47,079
Programming project grants and funding:		
Ministry of Education:		
Independent Learning Centre grant	6,421	6,421
Less: Amount allocated for capital renewal (note 6)	(128)	0
Independent Learning Centre transition funds	0	500
Early Reading and Early Math grant	5,848	0
Others	685	494
Funding deferred from prior year	3,098	2,963
Funding deferred to future year (note 8)	(5,183)	(3,098)
	10,741	7,280
Total Provincial	57,820	54,359
Federal		
Programming project grants and funding:		
Heritage Canada	2,350	2,305
Others	6	53
Total Federal	2,356	2,358
Total government grants and funding	60,176	56,717

In 2004, the Ministry of Education agreed to provide funding of \$7,225,000 for the development and delivery of the extended prototype and modules of the e-learning component of the Early Reading and Early Math Strategies Project of the Ministry. The total amount received was \$5,848,000 of which \$1,580,000 was spent during the year. The balance of \$4,268,000 was deferred and related expenditures have been budgeted for in the 2005 fiscal year.

12 Self-generated Revenue and Cost

	2004 (\$000's)			2003 (\$000's)		
	Revenue	Cost	Net Revenue	Revenue	Cost	Net Revenue
Sales and licensing	1,369	1,499	(130)	1,947	1,633	314
Membership and corporate contributions	7,527	3,989	3,538	7,569	3,837	3,732
Corporate project funding*	513	0	513	762	0	762
Cable revenue	2,170	41	2,129	1,763	39	1,724
ILC revenues**	2,003	0	2,003	2,120	0	2,120
Others	1,237	116	1,121	1,447	45	1,402
	14,819	5,645	9,174	15,608	5,554	10,054

	2004 (\$000's)	2003 (\$000's)
*Corporate project funding:		
Revenue received in the year	507	797
Revenue deferred from prior year	71	36
Revenue deferred to future year	(65)	(71)
	513	762

**All ILC costs are included in Educational Services (see note 13). For details of all ILC revenues, see note 16.

13 Educational Services

	2004 (\$000's)	2003 (\$000's)
TVO	28,049	28,867
TFO	16,693	15,321
ILC	8,917	8,823
Technical support	5,142	4,578
Communications and branding	3,155	2,648
Research and audience measurement	850	846
	62,806	61,083

14 Commitments

The Authority has entered into capital and operating leases covering transmission facilities, offices, warehouses and equipment. Future lease payments are as follows:

Year ending March 31	(\$000's)
2005	1,940
2006	1,449
2007	967
2008	399
2009	5
	4,760
2010 and beyond	2
Total future lease payments	4,762

15 Contributed Materials and Services

The Authority uses the services of volunteers to assist primarily in the membership area. The Authority also receives contributions of materials for use mainly in fund raising activities. Due to the difficulty of determining their fair value, contributed materials and services are not recognized in the financial statements.

16 The Independent Learning Centre

Under the terms of an agreement executed March 7, 2002 with the Ministry of Education and the Ministry of Training, Colleges and Universities, the Independent Learning Centre (ILC) was transferred to the Authority effective April 1, 2002.

The ILC provides a wide range of distance education courses, in English and in French, that allow adults to earn secondary school diploma credits, upgrade their basic skills, or study for personal development. It also supports children who may not be able to access elementary day school programs. The General Education Development (GED) testing is also available through the ILC.

Funding for these activities includes a grant from the Ministry of Education and ILC self-generated revenues. The portion of the grant that has been identified for specific projects (course development) is deferred to the future year until the projects have been completed.

	2004 (\$000's)	2003 (\$000's)
Activities were funded by:		
Ministry of Education ILC grant (note 11)	6,421	6,421
Funding deferred from prior year	2,289	0
Funding deferred to future year	(635)	(2,289)
Funding allocated to capital renewal fund	(128)	0
ILC grant recognized	7,947	4,132
ILC self-generated revenue	2,003	2,120
Total ILC grant and self-generated revenue	9,950	6,252

Expenditures related to the above deferrals have been budgeted for the 2005 fiscal year.

17 Contingent Liabilities

Contingent liabilities refer to possible legal claims that have been made against the Authority. Although the ultimate outcome of these claims cannot be predicted with certainty, adequate provisions have been made for those liabilities that in the opinion of management may result in future settlements. Differences between provisions and actual settlements will be accounted for at the time of settlement.

18 Comparative Figures

Certain of the comparative figures have been reclassified to conform to the current presentation.

19 The TVOntario Foundation

The TVOntario Foundation was constituted as a public foundation under the Canada Corporations Act effective April 1, 1998. The Board of Directors of the Foundation is appointed by the Board of Directors of the Authority, with the members of the Foundation being comprised exclusively of the members of the Board of Directors of the Authority. The Foundation is a registered charity under the Income Tax Act, whose objectives are to receive and maintain a fund or funds and to pay all or part of the

principal and income to the Authority provided that the Authority maintains its status as a registered charity and continues to have as its objective the promotion of educational and/or children's programming.

In accordance with Canadian generally accepted accounting principles, the accounts of the Foundation are not consolidated in the financial statements of the Authority. The financial position and results of operations for the year ended March 31, 2004 were as follows:

Financial Position as at March 31st

	2004 (\$000's)	2003 (\$000's)
Assets		
Current assets		
Cash and short term investments	3,524	3,330
Total assets	3,524	3,330
Liabilities and Equity		
Liabilities		
Accrued Liabilities	128	0
	128	0
Equity		
Restricted (Matching Gift Fund Campaign)	3,318	3,225
Unrestricted	78	105
	3,396	3,330
Total liabilities and equity	3,524	3,330

Results of operations for the year ending March 31st

	2004 (\$000's)	2003 (\$000's)
Revenues		
Donations	101	55
Restricted Gift from OECA	0	3,200
Interest income	93	25
Total revenues	194	3,280
Contribution to OECA	128	4
Excess of revenue over contribution to OECA	66	3,276
Equity, beginning of year	3,330	54
Equity, end of year	3,396	3,330

The Board of Directors of the Authority has approved the funding of the Foundation's operating expenditures through the Authority until March 31, 2007. The Foundation's net expenditures absorbed by the Authority were \$101,000 during the year ended March 31, 2004 (2003 – \$38,000).

Short-term investments earned an average interest rate of 2.9% during the fiscal year.

In compliance with the Income Tax Act, the Foundation recognized its disbursement quota of \$128,000 as contribution to the Authority.