

National Theatre School of Canada
Financial Statements
July 31, 2023

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Independent Auditor's Report

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To the Board of Directors of
National Theatre School of Canada

Opinion

We have audited the financial statements of National Theatre School of Canada (hereafter "the Organization"), which comprise the statement of financial position as at July 31, 2023, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies, and the schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at July 31, 2023, 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 other 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.

Raymond Chabot Grant Thornton LLP¹

Montréal
October 28, 2023

¹ CPA auditor, public accountancy permit no. A117472

National Theatre School of Canada Operations

Year ended July 31, 2023

	General Administration Fund		Restricted Funds (Schedule A)		Endowment Fund (Schedule B)		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Grants (Note 3)	5,405,664	6,293,949	336,735	634,639			5,742,399	6,928,588
Private donations (Note 4)	2,387,785	1,291,066	113,486	170,182	285,995	442,333	2,787,266	1,903,581
Self-generated revenue (Note 5)	1,872,201	1,548,273					1,872,201	1,548,273
Community foundations (Note 6)	484,712	424,821	121,891	119,150			606,603	543,971
Net investment income (Note 7)	97,621	(16,622)	2,697,171	(1,102,623)			2,794,792	(1,119,245)
	10,247,983	9,541,487	3,269,283	(178,652)	285,995	442,333	13,803,261	9,805,168
Expenses								
Teaching staff								
Salaries, employee benefits and fees	3,994,230	3,622,318					3,994,230	3,622,318
Allowances	242,912	199,196					242,912	199,196
Teaching equipment	36,000	31,056					36,000	31,056
Public performances	197,857	166,562					197,857	166,562
Library								
Salaries and employee benefits	236,360	221,805					236,360	221,805
Books and supplies	33,218	37,283					33,218	37,283
Training initiatives	385,338	149,817					385,338	149,817
Auditions and communications								
Salaries and employee benefits	639,423	479,878					639,423	479,878
Audition tours	27,723	6,677					27,723	6,677
Communications	350,683	293,029					350,683	293,029
Monument-National (Note 8)	1,827,313	1,577,832					1,827,313	1,577,832
Administration								
Salaries and employee benefits	1,312,030	1,303,302					1,312,030	1,303,302
Professional fees	185,972	269,983					185,972	269,983
Supplies	47,381	57,897					47,381	57,897
Information technology	105,534	158,076					105,534	158,076
Reception and meeting expenses	13,953	18,309					13,953	18,309
Other	14,944	125,172					14,944	125,172
Ancillary services								
Salaries and employee benefits	173,115	183,431					173,115	183,431
Operating expenses – buildings	497,108	545,265					497,108	545,265
Supplies and other	56,343	53,957					56,343	53,957
Community initiatives	42,978	75,656					42,978	75,656
Interest on long-term debt			181,827	49,229			181,827	49,229
Amortization of tangible capital assets			850,523	822,650			850,523	822,650
Bursaries and funds allocated			1,285,808	1,045,481			1,285,808	1,045,481
Contribution – community foundation (Note 6)					121,719	344,867	121,719	344,867
Pension plan expense (Note 19)	316,000	217,000					316,000	217,000
	10,736,415	9,793,501	2,318,158	1,917,360	121,719	344,867	13,176,292	12,055,728
Excess (deficiency) of revenues over expenses	(488,432)	(252,014)	951,125	(2,096,012)	164,276	97,466	626,969	(2,250,560)

The accompanying notes and schedules are an integral part of the financial statements.

National Theatre School of Canada Changes in Fund Balances

Year ended July 31, 2023

	General Administration Fund			Restricted Funds (Schedule A)		Endowment Fund (Schedule B)		Total		
			2023	2022	2023	2022	2023	2022	2023	2022
	Unrestricted	Internally restricted	Total	Total	Total	Total	Total	Total	Total	Total
Balance, beginning of year	\$ 641,029	\$ 2,244,516	\$ 2,885,545	\$ 4,831,559	\$ 32,839,517	\$ 34,935,529	\$ 13,997,403	\$ 13,899,937	\$ 49,722,465	\$ 53,667,025
Excess (deficiency) of revenues over expenses	(488,432)		(488,432)	(252,014)	951,125	(2,096,012)	164,276	97,466	626,969	(2,250,560)
Remeasurements and other items (employee future benefits)	940,000		940,000	(1,694,000)					940,000	(1,694,000)
Interfund transfer (a)	(940,000)	940,000								
Balance, end of year	<u>152,597</u>	<u>3,184,516</u>	<u>3,337,113</u>	<u>2,885,545</u>	<u>33,790,642</u>	<u>32,839,517</u>	<u>14,161,679</u>	<u>13,997,403</u>	<u>51,289,434</u>	<u>49,722,465</u>

(a) Pursuant to resolutions of the Board of Directors, an amount of \$940,000 of the General Administration Fund's unrestricted funds was internally restricted.

The accompanying notes and schedules are an integral part of the financial statements.

National Theatre School of Canada

Cash Flows

Year ended July 31, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses of the General Administration Fund and Restricted Funds	462,693	(2,348,026)
Non-cash items		
Amortization of tangible capital assets	850,523	822,650
Net change in fair value of investments	<u>(1,545,605)</u>	<u>1,697,599</u>
	(232,389)	172,223
Net change in working capital items (Note 9)	1,095,919	(771,132)
Defined benefit asset	<u>(41,000)</u>	<u>(109,000)</u>
Cash flows from operating activities	<u>822,530</u>	<u>(707,909)</u>
INVESTING ACTIVITIES		
Disposal of investments	14,434,819	17,222,396
Investments	<u>(15,382,700)</u>	<u>(15,943,782)</u>
Contribution – community foundations (Note 6)	(121,719)	(344,867)
Acquisition of tangible capital assets	<u>(540,084)</u>	<u>(1,154,527)</u>
Cash flows from investing activities	<u>(1,609,684)</u>	<u>(220,780)</u>
FINANCING ACTIVITIES		
Repayment of long-term debt	(112,386)	(61,574)
Private donations to the Endowment Fund	165,995	442,333
Long-term debt	154,041	396,369
Government grants receivable	<u>576,747</u>	<u>12,033</u>
Cash flows from financing activities	<u>784,397</u>	<u>789,161</u>
Net decrease in cash	<u>(2,757)</u>	<u>(139,528)</u>
Cash, beginning of year	<u>458,907</u>	<u>598,435</u>
Cash, end of year	<u>456,150</u>	<u>458,907</u>

The accompanying notes and schedules are an integral part of the financial statements.

National Theatre School of Canada

Financial Position

July 31, 2023

	2023			2022
	General Administration Fund \$	Restricted Funds (Schedule A) \$	Endowment Fund \$	Total \$
ASSETS				
Current				
Cash	456,150			456,150
Trade and other receivables (Note 10)	300,533	42,551	120,000	463,084
Prepaid expenses	141,423			141,423
Advances to Restricted Funds, without interest	338,427			
Advance to the General Administration Fund, without interest		53,505	71,932	
Current portion of government grants receivable (Note 11)	32,635	176,565		209,200
	<u>1,269,168</u>	<u>272,621</u>	<u>191,932</u>	<u>1,269,857</u>
Long-term				
Government grants receivable (Note 11)		2,821,909		2,821,909
Investments (Note 12)	4,957,882	12,016,225	13,969,747	28,450,368
Tangible capital assets (Note 13)		21,918,746		21,918,746
Defined benefit asset (Note 19)	1,313,000			1,313,000
	<u>7,540,050</u>	<u>37,029,501</u>	<u>14,161,679</u>	<u>55,940,259</u>
LIABILITIES				
Current				
Trade payables and other operating liabilities (Note 15)	883,222	23,154		906,376
Refundable deposits	14,460			14,460
Government grants received in advance (Note 16)	1,460,446			1,460,446
Advance from the General Administration Fund, without interest		338,427		
Advances from Restricted Funds, without interest	53,505			
Advances from the Endowment Fund, without interest	71,932			
Deferred contributions and revenues (Note 17)	1,719,372			1,719,372
Current portion of long-term debt		120,078		120,078
	<u>4,202,937</u>	<u>481,659</u>	<u>-</u>	<u>4,220,732</u>
Long-term				
Long-term debt (Note 18)		2,757,200		2,757,200
	<u>4,202,937</u>	<u>3,238,859</u>	<u>-</u>	<u>6,977,932</u>
FUND BALANCES				
Invested in tangible capital assets		22,070,293		22,070,293
Externally restricted		10,967,483	12,617,536	23,585,019
Internally restricted (Schedule B)	3,184,516	752,866	1,544,143	5,481,525
Unrestricted	152,597			152,597
	<u>3,337,113</u>	<u>33,790,642</u>	<u>14,161,679</u>	<u>51,289,434</u>
	<u>7,540,050</u>	<u>37,029,501</u>	<u>14,161,679</u>	<u>55,940,259</u>

The accompanying notes and schedules are an integral part of the financial statements.

On behalf of the Board,

Director



Director



National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

The Organization, incorporated under Part III of the Companies Act (Quebec), offers professional training in English and French in theatre arts: acting, directing, playwriting, set and costume design, and technical production. The Organization is a registered charity under the Income Tax Act.

2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The Organization's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Accounting estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements, notes to financial statements and schedules. These estimates are based on management's knowledge of current events and actions that the Organization may undertake in the future. Actual results may differ from these estimates.

Financial assets and liabilities

Initial measurement

Upon initial measurement, the Organization's financial assets and liabilities are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs.

Transaction costs relating to financial assets and liabilities that will be measured subsequently at fair value are recognized in operations in the year they are incurred.

Subsequent measurement

At each reporting date, the Organization measures its financial assets and liabilities at amortized cost (including any impairment in the case of financial assets), except for common shares and mutual funds which are measured at fair value and bonds and money market securities which the Organization has elected to measure at fair value by designating that fair value measurement shall apply.

With respect to financial assets measured at amortized cost, the Organization assesses whether there are any indications of impairment. When there is an indication of impairment, and if the Organization determines that, during the year, there was a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it will then recognize a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on a financial asset measured at amortized cost is recognized in operations in the year the reversal occurs.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund accounting

General Administration Fund

Assets, liabilities, revenues and expenses relating to the Organization's general activities and to providing financial assistance through emergency loans to students of the Organization who need short-term financial support are reported in the General Administration Fund.

Restricted Funds

Assets, liabilities, revenues and expenses relating to capital assets are reported in the Capital Asset Fund.

Assets, liabilities, revenues and expenses relating to providing financial assistance through bursaries to students who are facing financial difficulties which could jeopardize the completion of their training at the Organization are reported in the Bursary Fund. This financial assistance is complementary to government assistance programs.

Assets, liabilities, revenues and expenses relating to invited playwrights in residence at the Organization, in order to promote the development of new English-language plays, are reported in the Playwriting Chair Fund.

Assets, liabilities, revenues and expenses relating to supporting activities of research, production and training in the area of directing are reported in the Directing Chair Fund.

Assets, liabilities, revenues and expenses relating to enriching the teaching and voice coaching for the students through the recruitment of specialists who will provide vocal technique and diction master classes and intensive workshops are reported in the Philippe-Casgrain Fund.

Assets, liabilities, revenues and expenses relating to invited specialists, partnerships or purchases and rentals required for an increasingly advanced integration of new stage technologies for training students in show production are reported in the Creation and Technology Fund.

Assets, liabilities, revenues and expenses relating to the cultural and theatre outings offered to the students, namely, visits to the Stratford Shakespeare Festival and the Shaw Festival, are reported in the Suzanne-Grossmann Fund.

Assets, liabilities, revenues and expenses relating to supporting pilot programs and partnership opportunities to create the Artistic Residency program and the Engagement program are reported in the Community Engagement and Student Programs Fund.

Endowment Fund

The Endowment Fund presents resources received as endowments.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Contributions

The Organization follows the restricted fund method of accounting for contributions.

Contributions restricted for operating activities are recognized as revenue of the General Administration Fund, using the deferral method, in the year in which the related expenses are incurred. Restricted contributions for which the Organization does not have a related restricted fund are recognized in the General Administration Fund using the deferral method. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Administration Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions received as endowments are recognized as revenue of the Endowment Fund.

Moreover, the Organization recognizes contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations.

Since the contribution resulting from the Canada Emergency Wage Subsidy may be examined by the tax authorities, retroactive application clarifications were introduced after the program was announced and some rules may be interpreted differently by the tax authorities, it is possible that the amounts granted will differ from the amounts recorded.

Self-generated revenue

Self-generated revenue is recognized when there is an agreement between the parties, the amount of the transaction is determinable, collection is reasonably assured and the services have been rendered. The liability related to the portion of self-generated revenue that is invoiced but unearned is recognized as deferred revenues.

Net investment income

Investment transactions are recorded on the transaction date and resulting revenues are recognized using the accrual method of accounting.

Net investment income includes interest income, dividends, income from the interest in net income of mutual funds and changes in fair value.

Interest income is recognized on a time apportionment basis. Dividend income is recognized when it is received. Income from the interest in net income of mutual funds is recognized upon distribution. Changes in fair value are recognized when they occur.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

With respect to investments measured at fair value, the Organization has elected to include in changes in fair value interest income (including amortization of bond investment premiums and discounts), interest in net income of mutual funds and dividends.

Net investment income that is not subject to externally imposed restrictions is recognized in the statement of operations under Net investment income of the General Administration Fund.

Investment income from Endowment Fund resources is presented in the Bursary Fund, Playwriting Chair Fund, Directing Chair Fund, Philippe-Casgrain Fund, Creation and Technology Fund, Suzanne-Grossmann Fund or Community Engagement and Student Programs Fund according to the nature of the donor designation. Investment income from fund resources is recognized in the related funds.

Investment income from community foundations that is externally restricted is presented in the Bursary Fund, Playwriting Chair Fund, Directing Chair Fund, Philippe-Casgrain Fund, Creation and Technology Fund, Suzanne-Grossmann Fund or Community Engagement and Student Programs Fund according to the nature of the donor designation.

Tangible capital assets

Tangible capital assets acquired are recorded at cost. When the Organization receives contributions of tangible capital assets, their cost is equal to their fair value at the contribution date.

Amortization

Tangible capital assets are amortized on a straight-line basis over their estimated useful lives at the following annual rates:

	<u>Rates</u>
Buildings	2%
Landscaping	7%
Building improvements	15%
Furniture, equipment and automotive equipment	25%
Computer equipment	50%

Write-down

When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the tangible capital asset's fair value or replacement cost. The write-down is accounted for in the statement of operations and cannot be reversed.

Employee future benefits

The Organization accrues its obligations under the defined benefit pension plan as the employees render the services necessary to earn the pension benefits. More specifically, the Organization recognizes its obligations under the defined benefit plan in the statement of financial position, net of the fair value of plan assets.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization determines the defined benefit obligations using the most recent actuarial valuation prepared for funding purposes, which is extrapolated to the Organization's year-end. The total defined benefit plan cost includes current service cost and finance cost and is recognized in operations under Pension plan expense.

Remeasurements and other items, which include actuarial gains and losses relating to obligations, the difference between the actual return on plan assets and interest income deducted from the finance cost as well as past service cost, are recognized separately on the statement of changes in fund balances. Remeasurements and other items are not reclassified to the statement of operations in a subsequent year.

Foreign currency translation

The Organization uses the temporal method to translate transactions denominated in a foreign currency. Under this method, monetary assets and liabilities are translated at the exchange rate in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at historical exchange rates, with the exception of those recognized at fair value, which are translated at the exchange rate in effect at the statement of financial position date. Revenue and expenses are translated at the exchange rate in effect on the date they are recognized. The related exchange gains and losses are accounted for in operations for the year.

3 - GRANTS

	<u>2023</u>	<u>2022</u>
	\$	\$
General Administration Fund		
Canadian Heritage	4,493,333	5,060,000
Ministère de la Culture et des Communications du Québec	796,367	742,748
Canada Emergency Wage Subsidy		294,613
Ministère des Affaires municipales et de l'Habitation du Québec	16,000	64,000
Social Sciences and Humanities Research Council	28,297	28,297
Conseil des arts de Montréal	25,000	25,000
Ministère de la Santé et des Services sociaux		13,401
Other	46,667	65,890
	<u>5,405,664</u>	<u>6,293,949</u>
Capital Asset Fund		
Ministère de la Culture et des Communications du Québec	279,866	599,639
Canadian Heritage	56,869	35,000
	<u>336,735</u>	<u>634,639</u>
	<u>5,742,399</u>	<u>6,928,588</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

4 - PRIVATE DONATIONS NOT DIRECTED TO THE ENDOWMENT

	<u>2023</u>	<u>2022</u>
	\$	\$
General Administration Fund		
Foundations	319,081	384,589
Companies	459,563	283,927
Individuals	1,570,639	581,050
Public organizations and other	38,502	41,500
	<u>2,387,785</u>	<u>1,291,066</u>
Capital Asset Fund		
Companies		20,000
Individuals	66,546	123,743
	<u>66,546</u>	<u>143,743</u>
Bursary Fund		
Companies	26,140	
Individuals	7,800	13,439
Public organizations and other	13,000	13,000
	<u>46,940</u>	<u>26,439</u>
	<u>2,501,271</u>	<u>1,461,248</u>

5 - SELF-GENERATED REVENUE

	<u>2023</u>	<u>2022</u>
	\$	\$
Monument-National (Note 8)	807,798	618,673
Student fees	777,279	771,373
General public classes	95,477	
Audition fees	46,931	46,400
Cafeteria	38,947	46,092
Student service fees and information technology charges	30,701	29,600
Library subscriptions	19,670	17,291
DramaFest	19,320	
Rentals	16,863	11,637
Other	19,215	7,207
	<u>1,872,201</u>	<u>1,548,273</u>

6 - COMMUNITY FOUNDATIONS

As at July 31, 2023, various community foundations were managing endowment funds which benefit the Organization. These funds, which include donations, are provided directly to a community foundation in the name of the Organization or come from donations that the Organization has transferred to the community foundation with the agreement of the donors. Investments in endowments held in community foundations allow for the possibility of realizing the matching of endowment funding through government sources.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

6 - COMMUNITY FOUNDATIONS (Continued)

During the year, the Organization contributed an amount of \$121,719 (\$344,867 in 2022) from its Bursary Fund to the Fondation du Grand Montréal to contribute to an endowment fund. A request for a matching grant, to be given directly to the Fondation du Grand Montréal, will be submitted to Canadian Heritage and the Mécénat Placements Culture program of the Ministère de la Culture et des Communications du Québec before the end of the 2023 calendar year. During the year, Canadian Heritage invested a matching grant of \$236,045 and the Mécénat Placements Culture program of the Ministère de la Culture et des Communications du Québec invested a matching grant of \$147,477, which were donated directly to the Fondation du Grand Montréal, in relation to the contribution of 2022. The Organization recognized \$606,602 (\$543,971 in 2022) as investment income from these endowment funds managed by the community foundations to benefit the Organization.

These funds transferred by the Organization are held at community foundations in perpetuity. The assets belong to the community foundations and the fund capital is kept permanently and increased in accordance with each community foundation's investment policies. Income from the endowment funds of these foundations will be paid to the Organization at least once a year. Should the Organization discontinue its operations, ownership of the funds will remain with the community foundations, which will use the funds to benefit other charitable organizations with similar objectives.

These funds have not been presented in the Organization's financial statements because the funds belong to the community foundations. The Organization is only entitled to the investment income that is accounted for annually in the statement of operations.

The fair value of investments held by the community foundations as at December 31 is as follows:

	<u>2022-12-31</u>	<u>2021-12-31</u>
	\$	\$
Fondation du Grand Montréal	5,258,562	5,698,674
Edmonton Community Foundation	1,588,927	1,728,350
Toronto Foundation	941,567	1,034,322
Vancouver Foundation	546,752	618,896
Fondation Québec Philanthrope	222,900	249,767
Community Foundation of Newfoundland and Labrador	178,672	202,014
The Winnipeg Foundation	142,895	161,688
South Saskatchewan Community Foundation	112,275	126,138
	<u>8,992,550</u>	<u>9,819,849</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

6 - COMMUNITY FOUNDATIONS (Continued)

Deferred contributions related to community foundations (included in deferred contributions – Note 17):

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance, beginning of year	457,364	647,247
Amounts received during the year	361,495	354,088
Amounts recognized as revenue for the year	(606,603)	(543,971)
Balance, end of year	<u>212,256</u>	<u>457,364</u>

7 - NET INVESTMENT INCOME

	<u>2023</u>	<u>2022</u>
	\$	\$
General Administration Fund		
Investments measured at fair value		
Changes in fair value from unrestricted resources	69,495	1,460
Changes in fair value from internally restricted resources	35,583	(13,170)
Transaction costs	(7,457)	(4,912)
	<u>97,621</u>	<u>(16,622)</u>
Capital Asset Fund		
Investments measured at fair value		
Changes in fair value from restricted resources (a)	291,050	(95,135)
Transaction costs	(16,426)	(15,260)
	<u>274,624</u>	<u>(110,395)</u>
Bursary Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for bursary purposes (a)	1,766,921	(590,182)
Transaction costs	(98,945)	(89,028)
	<u>1,667,976</u>	<u>(679,210)</u>
Playwriting Chair Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for playwriting purposes (a)	48,721	(16,874)
Transaction costs	(2,764)	(2,453)
	<u>45,957</u>	<u>(19,327)</u>
Directing Chair Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for directing purposes (a)	346,506	(115,999)
Transaction costs	(19,548)	(17,092)
	<u>326,958</u>	<u>(133,091)</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

7 - NET INVESTMENT INCOME (Continued)

	<u>2023</u>	<u>2022</u>
	\$	\$
Philippe-Casgrain Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for teaching and voice coaching purposes (a)	20,356	(7,189)
Transaction costs	<u>(1,166)</u>	<u>(1,037)</u>
	<u>19,190</u>	<u>(8,226)</u>
Creation and Technology Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for technology purposes (a)	274,880	(94,308)
Transaction costs	<u>(15,576)</u>	<u>(14,107)</u>
	<u>259,304</u>	<u>(108,415)</u>
Suzanne-Grossmann Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for theatre and cultural outing purposes (a)	40,611	(13,417)
Transaction costs	<u>(2,289)</u>	<u>(1,961)</u>
	<u>38,322</u>	<u>(15,378)</u>
Community Engagement and Student Programs Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for community engagement programs (a)	68,780	(25,099)
Transaction costs	<u>(3,940)</u>	<u>(3,482)</u>
	<u>64,840</u>	<u>(28,581)</u>
	<u>2,794,792</u>	<u>(1,119,245)</u>

(a) Investment income on a portion of \$25,965,927 is externally restricted for different purposes. Investment income on the remaining \$4,957,882 is unrestricted. The total amount of investment income from resources held for endowment purposes and restricted to specific funds is \$2,857,825 for the year (loss of \$958,203 in 2022).

8 - MONUMENT-NATIONAL

	<u>2023</u>	<u>2022</u>
	\$	\$
Revenues		
Rental of theatre rooms and sales of goods and services	732,798	528,673
Sponsorships	<u>75,000</u>	<u>90,000</u>
	<u>807,798</u>	<u>618,673</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

8 - MONUMENT-NATIONAL (Continued)

	<u>2023</u>	<u>2022</u>
	\$	\$
Expenses		
Buildings		
Salaries	83,314	87,781
Operating expenses	543,765	520,970
Operations		
Salaries	635,531	503,309
Administration	98,630	95,970
Centre for Arts and Social Innovation	83,626	2,830
Front of the house	67,062	51,039
Services to the producers	315,385	315,933
	<u>1,827,313</u>	<u>1,577,832</u>
Deficiency of revenues over expenses before amortization (a)	<u>(1,019,515)</u>	<u>(959,159)</u>

(a) The deficiency of revenues over expenses represents the cost for the use of the Monument-National for training purposes. The expenses of the Monument-National are included in the General Administration Fund expenses.

9 - INFORMATION INCLUDED IN CASH FLOWS

The net change in working capital items is detailed as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Trade and other receivables	180,703	(287,625)
Prepaid expenses	36,418	(140,886)
Trade payables and other operating liabilities	(114,132)	196,609
Refundable deposits	390	(77)
Government grants received in advance	1,020,144	(168,298)
Deferred contributions and revenues	(27,604)	(370,855)
	<u>1,095,919</u>	<u>(771,132)</u>

10 - TRADE AND OTHER RECEIVABLES

	<u>2023</u>	<u>2022</u>
	\$	\$
General Administration Fund		
Accounts receivable of the Monument-National	226,198	369,557
Sales taxes receivable	29,343	45,446
Other	44,992	65,913
	<u>300,533</u>	<u>480,916</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

10 - TRADE AND OTHER RECEIVABLES (Continued)

	<u>2023</u>	<u>2022</u>
	\$	\$
Accrued interest		
Capital Asset Fund	4,330	4,335
Bursary Fund	26,117	26,636
Playwriting Chair Fund	736	737
Directing Chair Fund	5,255	5,104
Philippe-Casgrain Fund	313	312
Creation and Technology Fund	4,128	4,170
Suzanne-Grossmann Fund	618	587
Community Engagement and Student Programs Fund	1,054	990
	<u>42,551</u>	<u>42,871</u>
Endowment Fund		
Donation	120,000	
	<u>463,084</u>	<u>523,787</u>

11 - GOVERNMENT GRANTS RECEIVABLE

	<u>Current portion</u>	<u>2023</u>	<u>2022</u>
	\$	\$	\$
General Administration Fund			
Canadian Heritage			543,290
Ministry of Tourism, Culture and Sport (Ontario)	16,250	16,250	16,250
Canada Emergency Wage Subsidy			
Emploi-Québec	16,385	16,385	13,725
Other			9,927
	<u>32,635</u>	<u>32,635</u>	583,192
Capital Asset Fund			
Canadian Heritage			35,000
Ministère de la Culture et des Communications du Québec (a)	176,565	2,998,474	2,989,664
	<u>209,200</u>	<u>3,031,109</u>	3,607,856
Current portion	<u>209,200</u>	<u>209,200</u>	732,535
	<u>–</u>	<u>2,821,909</u>	<u>2,875,321</u>

(a) These grants receivable are related to the long-term debt described in Note 18.

National Theatre School of Canada Notes to Financial Statements

July 31, 2023

12 - INVESTMENTS

	Restricted Funds and Endowment Fund									2023	2022
	General Administration Fund	Capital Asset Fund	Bursary Fund	Playwriting Chair Fund	Directing Chair Fund	Philippe-Casgrain Fund	Creation and Technology Fund	Suzanne-Grossmann Fund	Community Engagement and Student Programs Fund	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash	20,417	8,557	51,392	1,451	10,359	617	8,141	1,220	2,078	104,232	58,767
Money market securities	3,162,876	54,437	326,924	9,231	65,896	3,922	51,788	7,758	13,221	3,696,053	1,934,974
Bonds											
Federal	5,450	44,249	265,742	7,503	53,564	3,188	42,096	6,306	10,747	438,845	732,319
Other federal entities	5,905	47,936	287,881	8,128	58,026	3,453	45,603	6,832	11,642	475,406	381,348
Provincial	107,063	229,571	1,378,703	38,928	277,898	16,539	218,401	32,718	55,755	2,355,576	3,032,403
Other provincial entities	1,426	11,580	69,546	1,964	14,018	834	11,017	1,650	2,812	114,847	189,420
Municipal	1,731	14,053	84,399	2,383	17,012	1,012	13,370	2,003	3,413	139,376	142,109
Other municipal entities	703	5,709	34,288	968	6,911	411	5,432	814	1,387	56,623	58,704
Corporate	316,015	221,755	1,331,765	37,602	268,436	15,976	210,965	31,604	53,856	2,487,974	2,313,297
	438,293	574,853	3,452,324	97,476	695,865	41,413	546,884	81,927	139,612	6,068,647	6,849,600
Common shares											
Canadian public companies	1,139,573	418,221	2,511,653	70,917	506,260	30,130	397,872	59,604	101,571	5,235,801	5,236,726
American public companies	94,829	769,854	4,623,407	130,542	931,915	55,463	732,396	109,719	186,970	7,635,095	7,297,865
Foreign public companies	34,577	280,708	1,685,805	47,599	339,798	20,223	267,049	40,006	68,174	2,783,939	2,179,429
	1,268,979	1,468,783	8,820,865	249,058	1,777,973	105,816	1,397,317	209,329	356,715	15,654,835	14,714,020
Other investments											
Bond funds	19,374	157,289	944,611	26,671	190,400	11,332	149,636	22,417	38,200	1,559,930	1,520,685
Equity funds	47,943	389,224	2,337,506	66,000	471,158	28,041	370,285	55,472	94,528	3,860,157	3,372,322
	67,317	546,513	3,282,117	92,671	661,558	39,373	519,921	77,889	132,728	5,420,087	4,893,007
	4,957,882	2,653,143	15,933,622	449,887	3,211,651	191,141	2,524,051	378,123	644,354	30,943,854	28,450,368
General Administration Fund	4,957,882									4,957,882	3,708,307
Restricted Funds		2,653,143	6,065,011	271,836	2,044,651	74,091	658,952	133,187	115,354	12,016,225	10,494,731
Endowment Fund			9,868,611	178,051	1,167,000	117,050	1,865,099	244,936	529,000	13,969,747	14,247,330
	4,957,882	2,653,143	15,933,622	449,887	3,211,651	191,141	2,524,051	378,123	644,354	30,943,854	28,450,368

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

12 - INVESTMENTS (Continued)

Shares

Allocation by industry segment

	2023		2022	
	\$	%	\$	%
Finance	3,665,374	23.41	3,450,207	23.44
Energy	1,398,063	8.93	1,633,791	11.10
Industry	1,977,214	12.63	1,922,985	13.07
Telecommunications	1,820,051	11.63	1,277,946	8.69
Consumer discretionary	1,612,920	10.30	1,048,677	7.13
Materials	910,666	5.82	763,979	5.19
Information technology	1,979,786	12.65	1,282,882	8.72
Health	808,754	5.17	1,270,617	8.64
Consumer goods	1,159,110	7.40	1,096,396	7.45
Community service	248,950	1.59	750,165	5.10
Real estate	73,947	0.47	216,375	1.47
	15,654,835	100.00	14,714,020	100.00

Allocation by geographic sector

	2023		2022	
	\$	%	\$	%
Canada	5,235,802	33.44	5,230,912	35.56
United States	7,629,655	48.74	5,790,402	39.35
France	701,063	4.48	901,103	6.12
United Kingdom	436,674	2.79	472,278	3.21
Other	1,651,641	10.55	2,319,325	15.76
	15,654,835	100.00	14,714,020	100.00

13 - TANGIBLE CAPITAL ASSETS

	2023		2022	
	Cost	Accumulated amortization	Net carrying amount	Net carrying amount
	\$	\$	\$	\$
Capital Asset Fund				
Land	2,968,676		2,968,676	2,968,676
School buildings	15,023,102	4,587,564	10,435,538	10,735,667
Monument-National building	19,594,328	11,586,622	8,007,706	8,193,316
Landscaping	223,627	20,718	202,909	198,737
Furniture and equipment	3,285,726	3,085,445	200,281	161,467
Automotive equipment	22,595	22,595		
Building improvements	74,542	16,772	57,770	68,952
Computer equipment	1,029,645	983,779	45,866	62,685
	42,222,241	20,303,495	21,918,746	22,389,500

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

13 - TANGIBLE CAPITAL ASSETS (Continued)

As at July 31, 2022, trade payables and other operating liabilities included \$160,315 for the acquisition of tangible capital assets.

14 - BANK LOAN

The bank loan, for an authorized amount of \$300,000 (\$300,000 as at July 31, 2022), is unsecured, bears interest at prime rate plus 1.5% (8.7%; 6.2% as at July 31, 2022) and is renegotiable in January 2024. The bank loan is unused as at July 31, 2023 and 2022.

15 - TRADE PAYABLES AND OTHER OPERATING LIABILITIES

	<u>2023</u>	<u>2022</u>
	\$	\$
General Administration Fund		
Trade payables	233,722	472,167
Box-office payable	312,593	394,233
Vacations payable	201,272	165,954
Salaries payable	93,525	65,066
Benefits payable	38,810	75,786
Other	3,300	7,617
	<u>883,222</u>	<u>1,180,823</u>
Capital Asset Fund		
Interest payable	23,154	
	<u>906,376</u>	<u>1,180,823</u>

Government remittances total \$24,110 as at July 31, 2023 (\$18,789 as at July 31, 2022).

16 - GOVERNMENT GRANTS RECEIVED IN ADVANCE

Government grants received in advance represent unapplied funding which, as a result of external restrictions, is intended to cover the General Administration Fund's operating expenses for the coming year.

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance, beginning of year	440,302	608,600
Amounts recognized as revenue for the year	(440,302)	(608,600)
Amounts received relating to the following year		
Canadian Heritage	1,145,923	
Ministère de la Culture et des Communications du Québec	314,523	440,302
Balance, end of year	<u>1,460,446</u>	<u>440,302</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

17 - DEFERRED CONTRIBUTIONS AND REVENUES

Deferred contributions and revenues are unexpended resources to be used to cover operating expenses in the coming year. Changes in the balance of these deferred contributions and revenues are as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Deferred contributions		
Balance, beginning of year	1,525,517	2,013,352
Amounts received during the year	2,553,089	1,423,076
Amounts recognized as revenue for the year	<u>(2,627,075)</u>	<u>(1,910,911)</u>
Balance, end of year	<u>1,451,531</u>	<u>1,525,517</u>
Deferred revenues		
Tuition fees and public classes		
Balance, beginning of year	53,951	9,908
Amounts received during the year	59,527	53,951
Amounts recognized as revenue for the year	<u>(53,951)</u>	<u>(9,908)</u>
Balance, end of year	<u>59,527</u>	<u>53,951</u>
Rental of Monument-National		
Balance, beginning of year	167,508	94,571
Amounts received during the year	208,678	112,026
Amounts recognized as revenue for the year	<u>(167,872)</u>	<u>(39,089)</u>
Balance, end of year	<u>208,314</u>	<u>167,508</u>
	<u>1,719,372</u>	<u>1,746,976</u>

18 - LONG-TERM DEBT

	<u>2023</u>	<u>2022</u>
	\$	\$
Capital Asset Fund		
Ministère de la Culture et des Communications du Québec		
"Aide aux immobilisations" program (a)	1,075,165	1,139,664
Ministère de la Culture et des Communications du Québec		
"Aide aux immobilisations" program (b)	<u>1,802,113</u>	<u>1,695,959</u>
	<u>2,877,278</u>	<u>2,835,623</u>
Current portion	<u>120,078</u>	<u>114,343</u>
	<u>2,757,200</u>	<u>2,721,280</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

18 - LONG-TERM DEBT (Continued)

- (a) A grant from the Ministère de la Culture et des Communications du Québec was obtained during the year ended July 31, 2016 under the "Aide aux immobilisations" program relating to the financing of a portion of the costs to increase the population's access to the property, services and activities in the cultural field through the implementation of quality cultural equipment that complies with current professionalism criteria. This grant is by way of an undertaking of payment of capital and interest of a term loan of an original amount of \$1,500,000. This loan, contracted by the Organization, is secured by a comfort letter signed by the Ministère de la Culture et des Communications du Québec and a mortgage of \$3,140,000 on a building having a net book value of \$10,435,539, bears interest at a rate of 4.15% and is repayable in biannual instalments of \$55,557 (capital and interest) from March 2016 to September 2025 and a final payment of \$902,000. As at July 31, 2023, the balance of this term loan and the grant by way of undertaking of payment totals \$1,075,165 (\$1,139,352 as at July 31, 2022).
- (b) A grant from the Ministère de la Culture et des Communications du Québec was obtained during the previous year under the Capital Assistance Program in relation to the financing of a portion of the costs for the maintenance of real estate assets and the renovation of the annex of the Organization's building. This grant is by way of an undertaking of repayment of principal and interest of a term loan of an original amount of \$1,850,000. This loan, contracted by the Organization, is secured by a mortgage of \$3,140,000 on a building having a net book value of \$10,435,539, bears interest at 5.99% (5.99% as at July 31, 2022) and is repayable by biannual instalments of \$79,971 (capital and interest) from January 2023 to July 2032 and a final payment of \$1,190,312. As at July 31, 2023, the grant by way of undertaking of payment totals \$1,802,113 (\$1,850,000 as at July 31, 2022).

The instalments on long-term debt for the next five years are \$120,078 in 2024, \$126,110 in 2025, \$997,207 in 2026, \$63,139 in 2027 and \$66,978 in 2028. These instalments are covered by subsidies from the Ministère de la Culture et des Communications du Québec.

19 - EMPLOYEE FUTURE BENEFITS

The Organization offers a defined benefit pension plan to its employees. The retirement benefits are based on the number of years of service as well as the employees' average salary over their last three years of service. The most recent actuarial valuation of the pension plan for funding purposes was done on December 31, 2022 and extrapolated for accounting purposes as at July 31, 2023.

The funded status of the pension plan is as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Fair value of plan assets	11,833,000	10,990,000
Defined benefit obligations	10,520,000	10,658,000
Funded status – surplus and defined benefit asset	<u>1,313,000</u>	<u>332,000</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

19 - EMPLOYEE FUTURE BENEFITS (Continued)

The change in the defined benefit asset is as follows:

	<u>2023</u>	<u>2022</u>
	\$	\$
Defined benefit asset, beginning of year	332,000	1,917,000
Pension plan expense	(316,000)	(217,000)
Funding contributions	357,000	326,000
Remeasurements and other items	940,000	(1,694,000)
Defined benefit asset, end of year	<u>1,313,000</u>	<u>332,000</u>

The significant assumptions used for the extrapolation as at July 31, 2023 are as follows:

	<u>2023</u>	<u>2022</u>
	%	%
Discount rate	5.20	4.60
Rate of compensation increase	2.50	2.50

20 - FINANCIAL RISKS

Credit risk

The Organization is exposed to credit risk regarding the financial assets recognized in the statement of financial position, other than investments in common shares of public companies and mutual fund units. The Organization has determined that the financial assets with more credit risk exposure are government grants receivable and trade and other receivables (excluding sales taxes receivable) since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization.

Some mutual funds indirectly expose the Organization to credit risk.

Market risk

The Organization's financial instruments expose it to market risk, in particular, to currency risk, interest rate risk and other price risk, resulting from both its investing and financing activities.

Currency risk

Currency risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in foreign exchange rates. The Organization is exposed to currency risk as a result of investments, amounts receivable on the disposal of investments, interest and dividends receivable as well as cash and amounts payable on the acquisition of investments denominated in foreign currencies. Fluctuations of the Canadian dollar compared to these currencies could have a positive or negative impact on the fair value of these assets and liabilities. The long-term assets denominated in foreign currencies are as follows:

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

20 - FINANCIAL RISKS (continued)

	<u>2023</u>	<u>2022</u>
	\$	\$
U.S. dollars	9,643,788	8,723,472
Euros	1,280,499	1,000,546
Yens	342,369	261,854
Swiss francs	259,015	176,310
Pounds sterling	200,741	486,026
Hong Kong dollars	84,502	63,183
Danish kroner	77,735	43,536
Australian dollars	40,183	42,805
	<u>11,928,832</u>	<u>10,797,732</u>

Mutual fund units are also exposed, although indirectly, to currency risk as they can include currency investments.

Interest rate risk

The Organization is exposed to interest rate risk with respect to financial assets and liabilities bearing fixed and variable interest rates.

The bond investments, money market securities and long-term debt bear interest at a fixed rate and the Organization is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

The bank loan bears interest at a variable rate and the Organization is, therefore, exposed to the cash flow risk resulting from interest rate fluctuations.

Some mutual funds indirectly expose the Organization to interest rate risk.

Other price risk

The Organization is exposed to other price risk due to investments in common shares of public companies and mutual funds since changes in market prices could result in changes in fair value or cash flows of these instruments.

Some mutual funds indirectly expose the Organization to other price risk.

Liquidity risk

The Organization's liquidity risk represents the risk that the Organization could encounter difficulty in meeting obligations associated with its financial liabilities. The Organization is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized in the statement of financial position.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2023

21 - COMMITMENTS

The Organization entered into long-term agreements expiring until October 2026 which call for payments of \$279,592 for maintenance services and the rental of equipment and a storage space. Minimum payments for the next years are \$154,423 in 2024, \$71,797 in 2025, \$41,743 in 2026 and \$11,629 in 2027.

National Theatre School of Canada Schedules

Year ended July 31, 2023

	SCHEDULE A									
								2023	2022	
	Capital Asset Fund	Bursary Fund	Playwriting Chair Fund	Directing Chair Fund	Philippe- Casgrain Fund	Creation and Technology Fund	Suzanne- Grossmann Fund	Community Engagement and Student Programs Fund	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RESTRICTED FUNDS – OPERATIONS										
Revenues										
Grants	336,735								336,735	634,639
Private donations	66,546	46,940							113,486	170,182
Community foundations		121,891							121,891	119,150
Net investment income	274,624	1,667,976	45,957	326,958	19,190	259,304	38,322	64,840	2,697,171	(1,102,623)
	<u>677,905</u>	<u>1,836,807</u>	<u>45,957</u>	<u>326,958</u>	<u>19,190</u>	<u>259,304</u>	<u>38,322</u>	<u>64,840</u>	<u>3,269,283</u>	<u>(178,652)</u>
Expenses										
Interest on long-term debt	181,827								181,827	49,229
Amortization of tangible capital assets	850,523								850,523	822,650
Bursaries and funds allocated		970,688	21,072	142,232		108,817	16,566	26,433	1,285,808	1,045,481
	<u>1,032,350</u>	<u>970,688</u>	<u>21,072</u>	<u>142,232</u>	<u>–</u>	<u>108,817</u>	<u>16,566</u>	<u>26,433</u>	<u>2,318,158</u>	<u>1,917,360</u>
Excess (deficiency) of revenues over expenses	<u>(354,445)</u>	<u>866,119</u>	<u>24,885</u>	<u>184,726</u>	<u>19,190</u>	<u>150,487</u>	<u>21,756</u>	<u>38,407</u>	<u>951,125</u>	<u>(2,096,012)</u>
RESTRICTED FUNDS – CHANGES IN FUND BALANCES										
Balance, beginning of year	25,082,211	5,102,049	235,569	1,743,568	54,980	475,358	95,013	50,769	32,839,517	34,935,529
Excess (deficiency) of revenues over expenses	<u>(354,445)</u>	<u>866,119</u>	<u>24,885</u>	<u>184,726</u>	<u>19,190</u>	<u>150,487</u>	<u>21,756</u>	<u>38,407</u>	<u>951,125</u>	<u>(2,096,012)</u>
Balance, end of year	<u>24,727,766</u>	<u>5,968,168</u>	<u>260,454</u>	<u>1,928,294</u>	<u>74,170</u>	<u>625,845</u>	<u>116,769</u>	<u>89,176</u>	<u>33,790,642</u>	<u>32,839,517</u>

National Theatre School of Canada Schedules

Year ended July 31, 2023

								SCHEDULE A			
								2023	2022		
		Capital Asset Fund	Bursary Fund	Playwriting Chair Fund	Directing Chair Fund	Philippe- Casgrain Fund	Creation and Technology Fund	Suzanne- Grossmann Fund	Community Engagement and Student Programs Fund	Total	Total
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RESTRICTED FUNDS – FINANCIAL POSITION											
Assets											
Current											
Trade and other receivables		4,330	26,117	736	5,255	313	4,128	618	1,054	42,551	42,871
Advance to the General Administration Fund, without interest		53,505								53,505	
Current portion of government grants receivable		176,565								176,565	149,343
		<u>234,400</u>	<u>26,117</u>	<u>736</u>	<u>5,255</u>	<u>313</u>	<u>4,128</u>	<u>618</u>	<u>1,054</u>	<u>272,621</u>	<u>192,214</u>
Long-term											
Government grants receivable		2,821,909								2,821,909	2,875,321
Investments		2,653,143	6,065,011	271,836	2,044,651	74,091	658,952	133,187	115,354	12,016,225	10,494,731
Tangible capital assets		21,918,746								21,918,746	22,389,500
		<u>27,628,198</u>	<u>6,091,128</u>	<u>272,572</u>	<u>2,049,906</u>	<u>74,404</u>	<u>663,080</u>	<u>133,805</u>	<u>116,408</u>	<u>37,029,501</u>	<u>35,951,766</u>
Liabilities											
Current											
Advance from the General Administration Fund, without interest			122,960	12,118	121,612	234	37,235	17,036	27,232	338,427	276,626
Trade payables and other operating liabilities		23,154								23,154	
Current portion of long-term debt		120,078								120,078	114,343
		<u>143,232</u>	<u>122,960</u>	<u>12,118</u>	<u>121,612</u>	<u>234</u>	<u>37,235</u>	<u>17,036</u>	<u>27,232</u>	<u>481,659</u>	<u>390,969</u>
Long-term											
Long-term debt		2,757,200								2,757,200	2,721,280
		<u>2,900,432</u>	<u>122,960</u>	<u>12,118</u>	<u>121,612</u>	<u>234</u>	<u>37,235</u>	<u>17,036</u>	<u>27,232</u>	<u>3,238,859</u>	<u>3,112,249</u>
Fund balances											
Invested in tangible capital assets		22,070,293								22,070,293	22,554,824
Externally restricted		2,657,473	5,215,302	260,454	1,928,294	74,170	625,845	116,769	89,176	10,967,483	9,618,058
Internally restricted			752,866							752,866	666,635
		<u>24,727,766</u>	<u>5,968,168</u>	<u>260,454</u>	<u>1,928,294</u>	<u>74,170</u>	<u>625,845</u>	<u>116,769</u>	<u>89,176</u>	<u>33,790,642</u>	<u>32,839,517</u>
		<u>27,628,198</u>	<u>6,091,128</u>	<u>272,572</u>	<u>2,049,906</u>	<u>74,404</u>	<u>663,080</u>	<u>133,805</u>	<u>116,408</u>	<u>37,029,501</u>	<u>35,951,766</u>

National Theatre School of Canada Schedules

Year ended July 31, 2023

	SCHEDULE B							
	2023							
	Bursary Fund	Playwriting Chair Fund	Directing Chair Fund	Philippe- Casgrain Fund	Creation and Technology Fund	Suzanne- Grossmann Fund	Community Engagement and Student Programs Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$
ENDOWMENT FUND								
Externally restricted								
Balance, beginning of year	8,652,124	178,051	867,000	117,050	1,865,099	244,936	529,000	12,453,260
Donations	285,995							285,995
Contribution – community foundations	<u>(121,719)</u>							<u>(121,719)</u>
Balance, end of year	<u>8,816,400</u>	<u>178,051</u>	<u>867,000</u>	<u>117,050</u>	<u>1,865,099</u>	<u>244,936</u>	<u>529,000</u>	<u>12,617,536</u>
Internally restricted								
Balance, beginning and end of year	<u>1,244,143</u>		<u>300,000</u>					<u>1,544,143</u>
Total	<u><u>10,060,543</u></u>	<u><u>178,051</u></u>	<u><u>1,167,000</u></u>	<u><u>117,050</u></u>	<u><u>1,865,099</u></u>	<u><u>244,936</u></u>	<u><u>529,000</u></u>	<u><u>14,161,679</u></u>
								2022
	Bursary Fund	Playwriting Chair Fund	Directing Chair Fund	Philippe- Casgrain Fund	Creation and Technology Fund	Suzanne- Grossmann Fund	Community Engagement and Student Programs Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Externally restricted								
Balance, beginning of year	8,554,658	178,051	867,000	117,050	1,865,099	244,936	529,000	12,355,794
Donations	442,333							442,333
Contribution – community foundations	<u>(344,867)</u>							<u>(344,867)</u>
Balance, end of year	<u>8,652,124</u>	<u>178,051</u>	<u>867,000</u>	<u>117,050</u>	<u>1,865,099</u>	<u>244,936</u>	<u>529,000</u>	<u>12,453,260</u>
Internally restricted								
Balance, beginning and end of year	<u>1,244,143</u>		<u>300,000</u>					<u>1,544,143</u>
Total	<u><u>9,896,267</u></u>	<u><u>178,051</u></u>	<u><u>1,167,000</u></u>	<u><u>117,050</u></u>	<u><u>1,865,099</u></u>	<u><u>244,936</u></u>	<u><u>529,000</u></u>	<u><u>13,997,403</u></u>