

National Theatre School of Canada
Financial Statements
July 31, 2022

Independent Auditor's Report	2 - 4
Financial Statements	
Operations	5
Changes in Fund Balances	6
Cash Flows	7
Financial Position	8
Notes to Financial Statements	9 - 27
Schedules	28 - 30

Independent Auditor's Report

Raymond Chabot
Grant Thornton LLP
Suite 2000
National Bank Tower
600 De La Gauchetière Street West
Montréal, Quebec
H3B 4L8

T 514-878-2691

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, 2022, 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, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 27, 2022

¹ CPA auditor, public accountancy permit no. A117472

National Theatre School of Canada Operations

Year ended July 31, 2022

	General Administration Fund		Restricted Funds (Schedule A)		Endowment Fund (Schedule B)		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Grants (Note 3)	6,293,949	8,544,314	634,639	1,491,270			6,928,588	10,035,584
Private donations (Note 4)	1,291,066	459,680	170,182	36,560	442,333	7,891	1,903,581	504,131
Self-generated revenue (Note 5)	1,548,273	1,100,050					1,548,273	1,100,050
Community foundations (Note 6)	424,821	115,128	119,150	149,624			543,971	264,752
Net investment income (Note 7)	(16,622)	62,562	(1,102,623)	4,380,950			(1,119,245)	4,443,512
	9,541,487	10,281,734	(178,652)	6,058,404	442,333	7,891	9,805,168	16,348,029
Expenses								
Teaching staff								
Salaries, employee benefits and fees	3,622,318	3,584,663					3,622,318	3,584,663
Allowances	199,196	126,824					199,196	126,824
Teaching equipment	31,056	196,654					31,056	196,654
Public performances	166,562	290,978					166,562	290,978
Library								
Salaries and employee benefits	221,805	228,040					221,805	228,040
Books and supplies	37,283	38,511					37,283	38,511
Training initiatives	149,817	93,650					149,817	93,650
Auditions and communications								
Salaries and employee benefits	479,878	538,278					479,878	538,278
Audition tours	6,677	1,871					6,677	1,871
Communications	293,029	178,894					293,029	178,894
Monument-National (Note 8)	1,577,832	1,301,462					1,577,832	1,301,462
Administration								
Salaries and employee benefits	1,303,302	1,146,404					1,303,302	1,146,404
Professional fees	269,983	221,769					269,983	221,769
Supplies	57,897	64,635					57,897	64,635
Information technology	158,076	162,477					158,076	162,477
Reception and meeting expenses	18,309	19,856					18,309	19,856
Other	125,172	51,106					125,172	51,106
Ancillary services								
Salaries and employee benefits	183,431	182,284					183,431	182,284
Operating expenses – buildings	545,265	612,348					545,265	612,348
Supplies and other	53,957	49,575					53,957	49,575
Community initiatives	75,656	43,412					75,656	43,412
Interest on long-term debt			49,229	51,270			49,229	51,270
Amortization of tangible capital assets			822,650	779,863			822,650	779,863
Bursaries and funds allocated			1,045,481	589,065			1,045,481	589,065
Pension plan expense (Notes 19)	217,000	255,000					217,000	255,000
	9,793,501	9,388,691	1,917,360	1,420,198	-	-	11,710,861	10,808,889
Excess (deficiency) of revenues over expenses	(252,014)	893,043	(2,096,012)	4,638,206	442,333	7,891	(1,905,693)	5,539,140

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, 2022

	General Administration Fund			Restricted Funds (Schedule A)		Endowment Fund (Schedule B)		Total		
	2022		2021	2022		2021		2022		2021
	Unrestricted	Internally restricted	Total	Total	Total	Total	Total	Total	Total	
Balance, beginning of year	\$ 893,043	\$ 3,938,516	\$ 4,831,559	\$ 3,032,516	\$ 34,935,529	\$ 30,297,323	\$ 13,899,937	\$ 13,892,046	\$ 53,667,025	\$ 47,221,885
Excess (deficiency) of revenues over expenses	(252,014)		(252,014)	893,043	(2,096,012)	4,638,206	442,333	7,891	(1,905,693)	5,539,140
Remeasurements and other items (employee future benefits)	(1,694,000)		(1,694,000)	906,000					(1,694,000)	906,000
Contribution – community foundations (Note 6)							(344,867)		(344,867)	
Interfund transfer (a)	1,694,000	(1,694,000)								
Balance, end of year	<u>641,029</u>	<u>2,244,516</u>	<u>2,885,545</u>	<u>4,831,559</u>	<u>32,839,517</u>	<u>34,935,529</u>	<u>13,997,403</u>	<u>13,899,937</u>	<u>49,722,465</u>	<u>53,667,025</u>

(a) Pursuant to resolutions of the Board of Directors, an amount of \$1,694,000 of the General Administration Fund's internally restricted fund was allocated to its unrestricted fund.

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

National Theatre School of Canada

Cash Flows

Year ended July 31, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses of the General Administration Fund and Restricted Funds	(2,348,026)	5,531,249
Non-cash items		
Amortization of tangible capital assets	822,650	779,863
Net change in fair value of investments	1,697,599	(4,147,978)
	172,223	2,163,134
Net change in working capital items (Note 9)	(771,132)	(76,313)
Employee future benefit asset	(109,000)	(63,000)
Cash flows from operating activities	(707,909)	2,023,821
INVESTING ACTIVITIES		
Disposal of investments	17,222,396	22,123,648
Investments	(15,943,782)	(21,000,124)
Contribution – community foundations (Note 6)	(344,867)	
Acquisition of tangible capital assets	(1,154,527)	(2,074,764)
Cash flows from investing activities	(220,780)	(951,240)
FINANCING ACTIVITIES		
Repayment of long-term debt	(61,574)	(59,708)
Private donations to the Endowment Fund	442,333	7,891
Long-term debt	396,369	990,000
Government grants receivable	12,033	(1,879,892)
Cash flows from financing activities	789,161	(941,709)
Net increase (decrease) in cash	(139,528)	130,872
Cash, beginning of year	598,435	467,563
Cash, end of year	458,907	598,435

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

National Theatre School of Canada

Financial Position

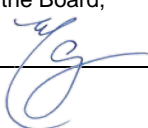
July 31, 2022

				2022	2021
	General Administration Fund \$	Restricted Funds (Schedule A) \$	Endowment Fund \$	Total \$	Total \$
ASSETS					
Current					
Cash	458,907			458,907	598,435
Trade and other receivables (Note 10)	480,916	42,871		523,787	236,162
Prepaid expenses	177,841			177,841	36,955
Advances to Restricted Funds, without interest	276,626				
Advance to the Endowment Fund, without interest	249,927				
Current portion of government grants receivable (Note 11)	583,192	149,343		732,535	1,180,635
	<u>2,227,409</u>	<u>192,214</u>	<u>–</u>	<u>1,893,070</u>	<u>2,052,187</u>
Long-term					
Government grants receivable (Note 11)		2,875,321		2,875,321	2,439,254
Investments (Note 12)	3,708,307	10,494,731	14,247,330	28,450,368	31,426,581
Tangible capital assets (Note 13)		22,389,500		22,389,500	22,485,244
Defined benefit asset (Note 19)	332,000			332,000	1,917,000
	<u>6,267,716</u>	<u>35,951,766</u>	<u>14,247,330</u>	<u>55,940,259</u>	<u>60,320,266</u>
LIABILITIES					
Current					
Trade payables and other operating liabilities (Note 15)	1,180,823			1,180,823	1,411,835
Refundable deposits	14,070			14,070	14,147
Government grants received in advance (Note 16)	440,302			440,302	608,600
Advance from the General Administration Fund, without interest		276,626	249,927		
Deferred contributions and revenues (Note 17)	1,746,976			1,746,976	2,117,831
Current portion of long-term debt		114,343		114,343	61,886
	<u>3,382,171</u>	<u>390,969</u>	<u>249,927</u>	<u>3,496,514</u>	<u>4,214,299</u>
Long-term					
Long-term debt (Note 18)		2,721,280		2,721,280	2,438,942
	<u>3,382,171</u>	<u>3,112,249</u>	<u>249,927</u>	<u>6,217,794</u>	<u>6,653,241</u>
FUND BALANCES					
Invested in tangible capital assets		22,554,824		22,554,824	21,841,436
Externally restricted		9,618,058	12,453,260	22,071,318	24,600,655
Internally restricted (Schedule B)	2,244,516	666,635	1,544,143	4,455,294	6,331,891
Unrestricted	641,029			641,029	893,043
	<u>2,885,545</u>	<u>32,839,517</u>	<u>13,997,403</u>	<u>49,722,465</u>	<u>53,667,025</u>
	<u>6,267,716</u>	<u>35,951,766</u>	<u>14,247,330</u>	<u>55,940,259</u>	<u>60,320,266</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, 2022

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, 2022

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, 2022

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, 2022

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, 2022

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 in 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>2022</u>	<u>2021</u>
	\$	\$
General Administration Fund		
Canadian Heritage	5,060,000	5,625,000
Ministère de la Culture et des Communications du Québec	742,748	584,260
Canada Emergency Wage Subsidy	294,613	2,181,854
Ministère des Affaires municipales et de l'Habitation du Québec	64,000	16,000
Social Sciences and Humanities Research Council	28,297	28,297
Conseil des arts de Montréal	25,000	39,640
Ministère de la Santé et des Services sociaux	13,401	29,849
Other	65,890	39,414
	<u>6,293,949</u>	<u>8,544,314</u>
Capital Asset Fund		
Ministère de la Culture et des Communications du Québec	599,639	1,041,270
Canadian Heritage	35,000	437,500
Ville de Montréal		12,500
	<u>634,639</u>	<u>1,491,270</u>
	<u>6,928,588</u>	<u>10,035,584</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

4 - PRIVATE DONATIONS NOT DIRECTED TO THE ENDOWMENT

	<u>2022</u>	<u>2021</u>
	\$	\$
General Administration Fund		
Foundations	384,589	161,177
Companies	283,927	162,726
Individuals	581,050	113,228
Public organizations and other	41,500	22,549
	<u>1,291,066</u>	<u>459,680</u>
Capital Asset Fund		
Companies	20,000	
Individuals	123,743	
	<u>143,743</u>	<u>–</u>
Bursary Fund		
Individuals	13,439	23,560
Public organizations and other	13,000	13,000
	<u>26,439</u>	<u>36,560</u>
	<u>1,461,248</u>	<u>496,240</u>

5 - SELF-GENERATED REVENUE

	<u>2022</u>	<u>2021</u>
	\$	\$
Monument-National (Note 8)	618,673	167,073
Student fees	771,373	803,985
Audition fees	46,400	49,125
Cafeteria	46,092	36,289
Student services fees and information technology charges	29,600	31,200
Library subscriptions	17,291	6,780
Rentals	11,637	312
Other	7,207	5,286
	<u>1,548,273</u>	<u>1,100,050</u>

6 - COMMUNITY FOUNDATIONS

As at July 31, 2022, 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.

During the year, the Organization contributed an amount of \$344,867 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 to the Mécénat Placements Culture program of the Ministère de la Culture et des Communications du Québec before the end of the 2022 calendar year.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

6 - COMMUNITY FOUNDATIONS (Continued)

The Organization recognized \$543,971 (\$264,750 in 2021) 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:

	2021-12-31	2020-12-31
	\$	\$
Fondation du Grand Montréal	5,698,674	5,266,870
Edmonton Community Foundation	1,728,350	1,566,493
Toronto Foundation	1,034,322	1,014,041
Vancouver Foundation	618,896	573,491
Fondation Québec Philanthrope	249,767	225,183
Community Foundation of Newfoundland and Labrador	202,014	213,365
The Winnipeg Foundation	161,688	152,415
South Saskatchewan Community Foundation	126,138	117,665
	<u>9,819,849</u>	<u>9,129,523</u>

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

	2022	2021
	\$	\$
Balance, beginning of year	647,247	516,628
Amounts received during the year	354,088	395,371
Amounts recognized as revenue for the year	<u>(543,971)</u>	<u>(264,752)</u>
Balance, end of year	<u>457,364</u>	<u>647,247</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

7 - NET INVESTMENT INCOME

	<u>2022</u>	<u>2021</u>
	\$	\$
General Administration Fund		
Investments measured at fair value		
Changes in fair value from unrestricted resources	1,460	13,290
Changes in fair value from internally restricted resources	(13,170)	50,658
Transaction costs	(4,912)	(1,386)
	<u>(16,622)</u>	<u>62,562</u>
Capital Asset Fund		
Investments measured at fair value		
Changes in fair value from restricted resources (a)	(95,135)	588,305
Transaction costs	(15,260)	(16,121)
	<u>(110,395)</u>	<u>572,184</u>
Bursary Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for bursary purposes (a)	(590,182)	2,705,264
Transaction costs	(89,028)	(73,870)
	<u>(679,210)</u>	<u>2,631,394</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)	(16,874)	73,974
Transaction costs	(2,453)	(2,024)
	<u>(19,327)</u>	<u>71,950</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)	(115,999)	519,845
Transaction costs	(17,092)	(14,226)
	<u>(133,091)</u>	<u>505,619</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)	(7,189)	30,593
Transaction costs	(1,037)	(837)
	<u>(8,226)</u>	<u>29,756</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

7 - NET INVESTMENT INCOME (Continued)

	<u>2022</u>	<u>2021</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)	(94,308)	429,060
Transaction costs	(14,107)	(17,045)
	<u>(108,415)</u>	<u>412,015</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)	(13,417)	58,195
Transaction costs	(1,961)	(1,596)
	<u>(15,378)</u>	<u>56,599</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)	(25,099)	104,292
Transaction costs	(3,482)	(2,859)
	<u>(28,581)</u>	<u>101,433</u>
	<u>(1,119,245)</u>	<u>4,443,512</u>

- (a) Investment income on a portion of \$24,742,061 is externally restricted for different purposes. Investment income on the remaining \$3,708,307 is unrestricted. The total amount of investment loss from resources held for endowment purposes and restricted to specific funds is \$958,203 for the year ended July 31, 2022 (income of \$4,509,528 for the year ended July 31, 2021).

8 - MONUMENT-NATIONAL

	<u>2022</u>	<u>2021</u>
	\$	\$
Revenues		
Rental of theatre rooms and sales of goods and services	528,673	92,073
Sponsorships	90,000	75,000
	<u>618,673</u>	<u>167,073</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

8 - MONUMENT-NATIONAL (Continued)

	<u>2022</u>	<u>2021</u>
	\$	\$
Expenses		
Buildings		
Salaries	87,781	92,029
Operating expenses	520,970	488,575
Operations		
Salaries	503,309	465,095
Administration	98,800	103,256
Front of the house	51,039	11,584
Services to the producers	315,933	140,923
	<u>1,577,832</u>	<u>1,301,462</u>
Deficiency of revenues over expenses before amortization (a)	<u>(959,159)</u>	<u>(1,134,389)</u>

(a) The deficiency of revenues over expenses for the year ended July 31, 2022 represents the cost for the use of the Monument-National for training purposes. For the year ended July 31, 2021, the Monument-National could not be operated commercially due to the pandemic. 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>2022</u>	<u>2021</u>
	\$	\$
Trade and other receivables	(287,625)	(108,027)
Prepaid expenses	(140,886)	(8,690)
Trade payables and other operating liabilities	196,609	382,353
Refundable deposits	(77)	111
Government grants received in advance	(168,298)	(974,154)
Deferred contributions and revenues	(370,855)	632,094
	<u>(771,132)</u>	<u>(76,313)</u>

10 - TRADE AND OTHER RECEIVABLES

	<u>2022</u>	<u>2021</u>
	\$	\$
General Administration Fund		
Accounts receivable of the Monument-National	369,557	36,276
Sales taxes receivable	45,446	113,645
Other	65,913	28,086
	<u>480,916</u>	<u>178,007</u>

National Theatre School of Canada
Notes to Financial Statements
 July 31, 2022

10 - TRADE AND OTHER RECEIVABLES (Continued)

	<u>2022</u>	<u>2021</u>
	\$	\$
Accrued interest		
Capital Asset Fund	4,335	7,426
Bursary Fund	26,636	34,769
Playwriting Chair Fund	737	974
Directing Chair Fund	5,104	6,809
Philippe-Casgrain Fund	312	404
Creation and Technology Fund	4,170	5,628
Suzanne-Grossmann Fund	587	768
Community Engagement and Student Programs Fund	990	1,377
	<u>523,787</u>	<u>236,162</u>

11 - GOVERNMENT GRANTS RECEIVABLE

	<u>Current portion</u>	<u>2022</u>	<u>2021</u>
	\$	\$	\$
General Administration Fund			
Canadian Heritage	543,290	543,290	532,350
Ministry of Heritage, Sport, Tourism and Culture Industries (Ontario)	16,250	16,250	16,250
Canada Emergency Wage Subsidy			546,544
Emploi-Québec	13,725	13,725	6,458
Other	9,927	9,927	17,147
	<u>583,192</u>	<u>583,192</u>	<u>1,118,749</u>
Capital Asset Fund			
Canadian Heritage	35,000	35,000	
Ministère de la Culture et des Communications du Québec (a)	114,343	2,989,664	2,501,140
	<u>732,535</u>	<u>3,607,856</u>	<u>3,619,889</u>
Current portion	<u>732,535</u>	<u>732,535</u>	<u>1,180,635</u>
	<u>—</u>	<u>2,875,321</u>	<u>2,439,254</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, 2022

12 - INVESTMENTS

	Restricted Funds and Endowment Fund									2022	2021
	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	8,786	5,097	30,897	860	5,962	364	4,869	689	1,243	58,767	106,360
Money market securities	1,884,605	5,136	31,138	867	6,008	367	4,907	694	1,252	1,934,974	3,872,812
Bonds											
Federal	9,854	73,673	446,612	12,435	86,175	5,267	70,384	9,957	17,962	732,319	387,780
Other federal entities	5,131	38,364	232,569	6,475	44,875	2,743	36,652	5,185	9,354	381,348	338,155
Provincial	129,022	296,070	1,794,809	49,971	346,313	21,165	282,854	40,014	72,185	3,032,403	3,951,184
Other provincial entities	2,549	19,056	115,520	3,216	22,290	1,362	18,206	2,575	4,646	189,420	312,498
Municipal	1,912	14,296	86,667	2,413	16,723	1,022	13,658	1,932	3,486	142,109	71,267
Other municipal entities	790	5,906	35,801	997	6,908	422	5,642	798	1,440	58,704	
Corporate	324,516	202,804	1,229,421	34,230	237,221	14,498	193,752	27,409	49,446	2,313,297	2,230,295
	473,774	650,169	3,941,399	109,737	760,505	46,479	621,148	87,870	158,519	6,849,600	7,291,179
Common shares											
Canadian public companies	1,147,777	416,967	2,527,701	70,376	487,728	29,808	398,355	56,353	101,661	5,236,726	4,953,055
American public companies	98,203	734,181	4,450,675	123,916	858,772	52,485	701,409	99,224	179,000	7,297,865	7,795,610
Foreign public companies	29,325	219,255	1,329,149	37,006	256,463	15,674	209,468	29,632	53,457	2,179,429	2,227,752
	1,275,305	1,370,403	8,307,525	231,298	1,602,963	97,967	1,309,232	185,209	334,118	14,714,020	14,976,417
Other investments											
Bond funds	20,461	152,984	927,406	25,821	178,946	10,937	146,155	20,676	37,299	1,520,685	1,665,581
Equity funds	45,376	339,263	2,056,647	57,261	396,836	24,253	324,119	45,851	82,716	3,372,322	3,514,235
	65,837	492,247	2,984,053	83,082	575,782	35,190	470,274	66,527	120,015	4,893,007	5,179,816
	3,708,307	2,523,052	15,295,012	425,844	2,951,220	180,367	2,410,430	340,989	615,147	28,450,368	31,426,584
General Administration Fund	3,708,307									3,708,307	4,181,898
Restricted Funds		2,523,052	5,148,818	247,793	1,784,220	63,317	545,331	96,053	86,147	10,494,731	13,350,679
Endowment Fund			10,146,194	178,051	1,167,000	117,050	1,865,099	244,936	529,000	14,247,330	13,894,004
	3,708,307	2,523,052	15,295,012	425,844	2,951,220	180,367	2,410,430	340,989	615,147	28,450,368	31,426,581

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

12 - INVESTMENTS (Continued)

Shares

Allocation by industry segment

	2022		2021	
	\$	%	\$	%
Finance	3,450,207	23.44	3,684,826	24.60
Energy	1,633,791	11.10	1,213,179	8.10
Industry	1,922,985	13.07	1,819,250	12.15
Telecommunications	1,277,946	8.69	2,000,006	13.35
Consumer discretionary	1,048,677	7.13	1,946,549	13.00
Materials	763,979	5.19	885,476	5.91
Information technology	1,282,882	8.72	1,754,379	11.71
Health	1,270,617	8.64	693,866	4.63
Consumer goods	1,096,396	7.45	632,917	4.23
Community service	750,165	5.10	279,510	1.87
Real estate	216,375	1.47	66,459	0.44
	14,714,020	100.00	14,976,417	100.00

Allocation by geographic sector

	2022		2021	
	\$	%	\$	%
Canada	5,230,912	35.56	4,948,053	33.04
United States	5,790,402	39.35	6,207,247	41.45
United Kingdom	472,278	3.21	479,201	3.20
France	901,103	6.12	753,192	5.03
Other	2,319,325	15.76	2,588,724	17.29
	14,714,020	100.00	14,976,417	100.00

13 - TANGIBLE CAPITAL ASSETS

	2022		2021	
	Cost	Accumulated amortization	Net carrying amount	Net carrying amount
	\$	\$	\$	\$
Capital Asset Fund				
Land	2,968,676		2,968,676	2,968,676
School buildings	15,022,772	4,287,105	10,735,667	8,392,302
Construction in progress				2,368,794
Monument-National building	19,391,017	11,197,701	8,193,316	8,533,570
Landscaping	203,802	5,065	198,737	
Furniture and equipment	3,171,738	3,010,271	161,467	133,749
Automotive equipment	22,595	22,595		
Building improvements	74,543	5,591	68,952	
Computer equipment	987,329	924,644	62,685	88,153
	41,842,472	19,452,972	22,389,500	22,485,244

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

13 - TANGIBLE CAPITAL ASSETS (Continued)

As at July 31, 2022, trade payables and other operating liabilities include \$160,315 for the acquisition of tangible capital assets (\$587,936 as at July 31, 2021).

14 - BANK LOAN

The bank loan, for an authorized amount of \$300,000 (\$300,000 as at July 31, 2021), is unsecured, bears interest at prime rate plus 1.5% (6.2%; 3.95% as at July 31, 2021) and is renegotiable in January 2023. The bank loan is unused as at July 31, 2022 and 2021.

15 - TRADE PAYABLES AND OTHER OPERATING LIABILITIES

	<u>2022</u>	<u>2021</u>
	\$	\$
General Administration Fund		
Trade payables	472,167	868,839
Holdbacks		219,314
Box-office payable	394,233	57,858
Vacations payable	165,954	141,451
Salaries payable	65,066	89,242
Benefits payable	75,786	27,968
Other	7,617	7,163
	<u>1,180,823</u>	<u>1,411,835</u>

Government remittances total \$18,789 as at July 31, 2022 (\$18,221 as at July 31, 2021).

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>2022</u>	<u>2021</u>
	\$	\$
Balance, beginning of year	608,600	1,582,754
Amounts recognized as revenue for the year	(608,600)	(1,582,754)
Amounts received relating to the following year		
Ministère de la Culture et des Communications du Québec	440,302	503,199
Other		105,401
Balance, end of year	<u>440,302</u>	<u>608,600</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

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>2022</u>	<u>2021</u>
	\$	\$
Deferred contributions		
Balance, beginning of year	2,013,352	1,455,540
Amounts received during the year	1,423,076	1,494,597
Amounts recognized as revenue for the year	<u>(1,910,911)</u>	<u>(936,785)</u>
Balance, end of year	<u>1,525,517</u>	<u>2,013,352</u>
Deferred revenues		
Tuition fees and public classes		
Balance, beginning of year	9,908	
Amounts received during the year	53,951	9,908
Amounts recognized as revenue for the year	<u>(9,908)</u>	
Balance, end of year	<u>53,951</u>	<u>9,908</u>
Rental of Monument-National		
Balance, beginning of year	94,571	30,197
Amounts received during the year	112,026	94,571
Amounts recognized as revenue for the year	<u>(39,089)</u>	<u>(30,197)</u>
Balance, end of year	<u>167,508</u>	<u>94,571</u>
	<u>1,746,976</u>	<u>2,117,831</u>

18 - LONG-TERM DEBT

	<u>2022</u>	<u>2021</u>
	\$	\$
Capital Asset Fund		
Ministère de la Culture et des Communications du Québec		
"Aide aux immobilisations" program (a)	1,139,664	1,201,238
Ministère de la Culture et des Communications du Québec		
"Aide aux immobilisations" program (b)	<u>1,695,959</u>	<u>1,299,590</u>
	<u>2,835,623</u>	<u>2,500,828</u>
Current portion	114,343	61,886
	<u>2,721,280</u>	<u>2,438,942</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

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 \$10,735,667, 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, 2022, the balance of this term loan and the grant by way of undertaking of payment totals \$1,139,352 (\$1,201,238 as at July 31, 2021).
- (b) A grant from the Ministère de la Culture et des Communications du Québec was obtained during the 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 authorized amount of \$1,850,000. Payments will be made upon issuance of the last instalment. This loan, contracted by the Organization, is secured by a mortgage of \$3,140,000 on a building having a net book value of \$10,735,667, bears interest at 5.99% (prime rate, 2.45% as at July 31, 2021) and will be repayable over a 120-month period with a 240-month amortization period from the date of the last instalment. In August 2022, the final instalment was issued for a total amount \$1,850,000, as of that moment the loan is repayable in biannual instalments of \$79,971 (capital and interest) from January 2023 to July 2032 and a final payment of \$1,190,312, the other conditions remaining the same. As at July 31, 2022, the grant by way of undertaking of payment totals \$1,850,000.

Taking into consideration the issuance of the final instalment on the loan, the instalments on long-term debt for the next five years are \$114,343 in 2023, \$120,078 in 2024, \$126,110 in 2025, \$997,207 in 2026 and \$63,139 in 2027. 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, 2019 and extrapolated for accounting purposes as at July 31, 2022.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

19 - EMPLOYEE FUTURE BENEFITS (Continued)

The funded status of the pension plan is as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Fair value of plan assets	10,990,000	12,391,000
Defined benefit obligations	10,658,000	10,474,000
Funded status – surplus and defined benefit asset	<u>332,000</u>	<u>1,917,000</u>

The change in the defined benefit asset is as follows:

	<u>2022</u>	<u>2021</u>
	\$	\$
Defined benefit asset, beginning of year	1,917,000	948,000
Pension plan expense	(217,000)	(255,000)
Funding contributions	326,000	318,000
Remeasurements and other items	(1,694,000)	906,000
Defined benefit asset, end of year	<u>332,000</u>	<u>1,917,000</u>

The significant assumptions used for the extrapolation as at July 31, 2022 are as follows:

	<u>2022</u>	<u>2021</u>
	%	%
Discount rate	4.60	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. Additionally, 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.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

20 - FINANCIAL RISKS (continued)

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:

	<u>2022</u>	<u>2021</u>
	\$	\$
U.S. dollars	8,723,472	9,539,601
Euros	1,000,546	1,072,162
Pounds sterling	486,026	366,026
Yens	261,854	248,195
Swiss francs	176,310	248,657
Danish kroner	43,536	65,602
Hong Kong dollars	63,183	44,541
Australian dollars	42,805	36,121
	<u>10,797,732</u>	<u>11,620,905</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 bear interest at a variable rate and the Organization is, therefore, exposed to the cash flow risk resulting from interest rate fluctuations.

Additionally, 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.

Additionally, some mutual funds indirectly expose the Organization to other price risk.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2022

20 - FINANCIAL RISKS (Continued)

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.

21 - COMMITMENTS

The Organization entered into long-term lease agreements expiring until October 2026 which call for lease payments of \$253,140 for maintenance services and the rental of equipment and a storage space. Minimum lease payments for the next five years are \$127,280 in 2023, \$61,816 in 2024, \$34,415 in 2025, \$23,918 in 2026 and \$5,711 in 2027.

National Theatre School of Canada

Schedules

Year ended July 31, 2022

	SCHEDULE A									
									2022	2021
	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	634,639								634,639	1,491,270
Private donations	143,743	26,439							170,182	36,560
Community foundations		119,150							119,150	149,624
Net investment income	(110,395)	(679,210)	(19,327)	(133,091)	(8,226)	(108,415)	(15,378)	(28,581)	(1,102,623)	4,380,950
	<u>667,987</u>	<u>(533,621)</u>	<u>(19,327)</u>	<u>(133,091)</u>	<u>(8,226)</u>	<u>(108,415)</u>	<u>(15,378)</u>	<u>(28,581)</u>	<u>(178,652)</u>	<u>6,058,404</u>
Expenses										
Interest on long-term debt	49,229								49,229	51,270
Amortization of tangible capital assets	822,650								822,650	779,863
Bursaries and funds allocated		773,224	13,354	71,465	8,685	145,842	1,695	31,216	1,045,481	589,065
	<u>871,879</u>	<u>773,224</u>	<u>13,354</u>	<u>71,465</u>	<u>8,685</u>	<u>145,842</u>	<u>1,695</u>	<u>31,216</u>	<u>1,917,360</u>	<u>1,420,198</u>
Excess (deficiency) of revenues over expenses	<u>(203,892)</u>	<u>(1,306,845)</u>	<u>(32,681)</u>	<u>(204,556)</u>	<u>(16,911)</u>	<u>(254,257)</u>	<u>(17,073)</u>	<u>(59,797)</u>	<u>(2,096,012)</u>	<u>4,638,206</u>
RESTRICTED FUNDS – CHANGES IN FUND BALANCES										
Balance, beginning of year	25,286,103	6,408,894	268,250	1,948,124	71,891	729,615	112,086	110,566	34,935,529	30,297,323
Excess (deficiency) of revenues over expenses	<u>(203,892)</u>	<u>(1,306,845)</u>	<u>(32,681)</u>	<u>(204,556)</u>	<u>(16,911)</u>	<u>(254,257)</u>	<u>(17,073)</u>	<u>(59,797)</u>	<u>(2,096,012)</u>	<u>4,638,206</u>
Balance, end of year	<u>25,082,211</u>	<u>5,102,049</u>	<u>235,569</u>	<u>1,743,568</u>	<u>54,980</u>	<u>475,358</u>	<u>95,013</u>	<u>50,769</u>	<u>32,839,517</u>	<u>34,935,529</u>

National Theatre School of Canada

Schedules

Year ended July 31, 2022

								SCHEDULE A		
								2022	2021	
	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	4,335	26,636	737	5,104	312	4,170	587	990	42,871	58,155
Advance to the General Administration Fund, without interest										309
Current portion of government grants receivable	149,343								149,343	61,886
	<u>153,678</u>	<u>26,636</u>	<u>737</u>	<u>5,104</u>	<u>312</u>	<u>4,170</u>	<u>587</u>	<u>990</u>	<u>192,214</u>	<u>120,350</u>
Long-term										
Government grants receivable	2,875,321								2,875,321	2,439,254
Investments	2,523,052	5,148,818	247,793	1,784,220	63,317	545,331	96,053	86,147	10,494,731	13,350,679
Tangible capital assets	22,389,500								22,389,500	22,485,244
	<u>27,941,551</u>	<u>5,175,454</u>	<u>248,530</u>	<u>1,789,324</u>	<u>63,629</u>	<u>549,501</u>	<u>96,640</u>	<u>87,137</u>	<u>35,951,766</u>	<u>38,395,527</u>
Liabilities										
Current										
Advance from the General Administration Fund, without interest	23,717	73,405	12,961	45,756	8,649	74,143	1,627	36,368	276,626	959,170
Current portion of long-term debt	114,343								114,343	61,886
	<u>138,060</u>	<u>73,405</u>	<u>12,961</u>	<u>45,756</u>	<u>8,649</u>	<u>74,143</u>	<u>1,627</u>	<u>36,368</u>	<u>390,969</u>	<u>1,021,056</u>
Long-term										
Long-term debt	2,721,280								2,721,280	2,438,942
	<u>2,859,340</u>	<u>73,405</u>	<u>12,961</u>	<u>45,756</u>	<u>8,649</u>	<u>74,143</u>	<u>1,627</u>	<u>36,368</u>	<u>3,112,249</u>	<u>3,459,998</u>
Fund balances										
Invested in tangible capital assets	22,554,824								22,554,824	21,841,436
Externally restricted	2,527,387	4,435,414	235,569	1,743,568	54,980	475,358	95,013	50,769	9,618,058	12,244,861
Internally restricted		666,635							666,635	849,232
	<u>25,082,211</u>	<u>5,102,049</u>	<u>235,569</u>	<u>1,743,568</u>	<u>54,980</u>	<u>475,358</u>	<u>95,013</u>	<u>50,769</u>	<u>32,839,517</u>	<u>34,935,529</u>
	<u>27,941,551</u>	<u>5,175,454</u>	<u>248,530</u>	<u>1,789,324</u>	<u>63,629</u>	<u>549,501</u>	<u>96,640</u>	<u>87,137</u>	<u>35,951,766</u>	<u>38,395,527</u>

National Theatre School of Canada Schedules

Year ended July 31, 2022

	SCHEDULE B							
	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
	\$	\$	\$	\$	\$	\$	\$	\$
ENDOWMENT FUND								
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	(344,867)							(344,867)
Balance, end of year	8,652,124	178,051	867,000	117,050	1,865,099	244,936	529,000	12,453,260
Internally restricted								
Balance, beginning and end of year	1,244,143		300,000					1,544,143
Total	<u>9,896,267</u>	<u>178,051</u>	<u>1,167,000</u>	<u>117,050</u>	<u>1,865,099</u>	<u>244,936</u>	<u>529,000</u>	<u>13,997,403</u>
								2021
	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	8,548,017	178,051	867,000	115,800	1,865,099	244,936	529,000	12,347,903
Donations	6,641			1,250				7,891
Balance, end of year	8,554,658	178,051	867,000	117,050	1,865,099	244,936	529,000	12,355,794
Internally restricted								
Balance, beginning and end of year	1,244,143		300,000					1,544,143
Total	<u>9,798,801</u>	<u>178,051</u>	<u>1,167,000</u>	<u>117,050</u>	<u>1,865,099</u>	<u>244,936</u>	<u>529,000</u>	<u>13,899,937</u>