



**2016
2017**

58th Annual Report



**NATIONAL
THEATRE
SCHOOL
OF CANADA**

theatretraining.ca



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Theatre brings people together and allows them to imagine, think, and feel collectively.

/ Theatre is an act of community building, a catalyst for empathy, creativity, debate, and well-being that allows us to better engage with the complexities of our times.

The Mission of The National Theatre School of Canada

/ The National Theatre School of Canada (NTS) offers incomparable training to theatre artists of all kinds to create work that matters.

A National School with Global Reach

/ The National Theatre School of Canada is a school for the arts. It is the premier professional theatre training institution in the country. The School offers training in all theatre arts: Production Design & Technical Arts, Set and Costume Design, Acting, Playwriting and Directing. The School is one of the cornerstones of the performing arts sector and has graduated some 2000 artists who have made incalculable contributions to our collective identity. Some of this country's most important theatre, performance, film, and television artists are among their ranks, and the School's influence is felt from coast to coast to coast and across the globe.

/ Alumni who have been recognized for their key contributions in recent years include Chris Abraham, Dominic Champagne, Julia Course, Henry Czerny, Claudia Dey, Leah Doz, Ted Dykstra, Jake Epstein, Colm Feore, Carole Fréchette, Allan Hawco, Brendan Healy, Martha Henry, Eda Holmes, Diana Leblanc, Ann-Marie MacDonald, Anita Majumdar, Seana McKenna, Hannah Moscovitch, Wajdi Mouawad, Sandra Oh, Kristin Pellerin, Adam Pettie, Gareth Potter, Michael Rubinfeld, Judith Thompson, and Kenneth Welsh, to name just a few.

Vision

To meet the needs of Canada's rapidly changing theatre, NTS is:

/ Asserting its advantage as an independent organization by launching a broad range of new programs around the power of art to inspire understanding and engagement.

/ Forging new pathways that build a more diverse community at the School and give all Canadians greater access to their National Theatre School on the eve of its 60th anniversary.

2017 Board of Directors and Governors

As of July 31, 2017

PATRON

Under the patronage
of His Excellency the
Right Honourable
Governor General of Canada
David Johnston,
C.C., C.M.M., C.O.M., C.D.

BOARD OF DIRECTORS

Chair

Bernard Amyot, Ad. E | QC
Lawyer
LCM Attorneys Inc.

Treasurer

Simon Dupéré, QC
President, Catsima

Secretary

Brenda Jones Kinsella, BC

CEO

Gideon Arthurs

Directors

Richard Brott, ON
Retired, Chief Financial Officer
kbs+p Canada

Kathryn Brownlie, ON
Assistant Vice President Marketing
Royal Ontario Museum

Alberta G. Cefis, ON

David J. Daniels, ON
President,
Treefish Limited

Terrie-Lynne Devonish, ON
Chief Compliance Officer,
North America
AON Service Corporation

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Camilla Holland, MB
General Manager
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Jill Matus, FRSC | ON
Professor Emerita
University of Toronto

Joan Richardson, MB

Jodi White, C.M., ON

GOVERNORS

Life Governors

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Alan Bleiviss, USA

Jean Pol Britte

Robert E. Landry, C.M. | QC

Monique Mercure, C.C., G.O.Q. |
QC

Yvon Turcot, QC

Governors

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Tullio Cedraschi, QC

Gil Desautels, QC

Kaaren Hawkins, MB

Gordon P. Jones, NF

D'Arcy Levesque, AB

Sheila Martin, QC

Margaret Martinello Magner, PE

Guy Mignault, ON

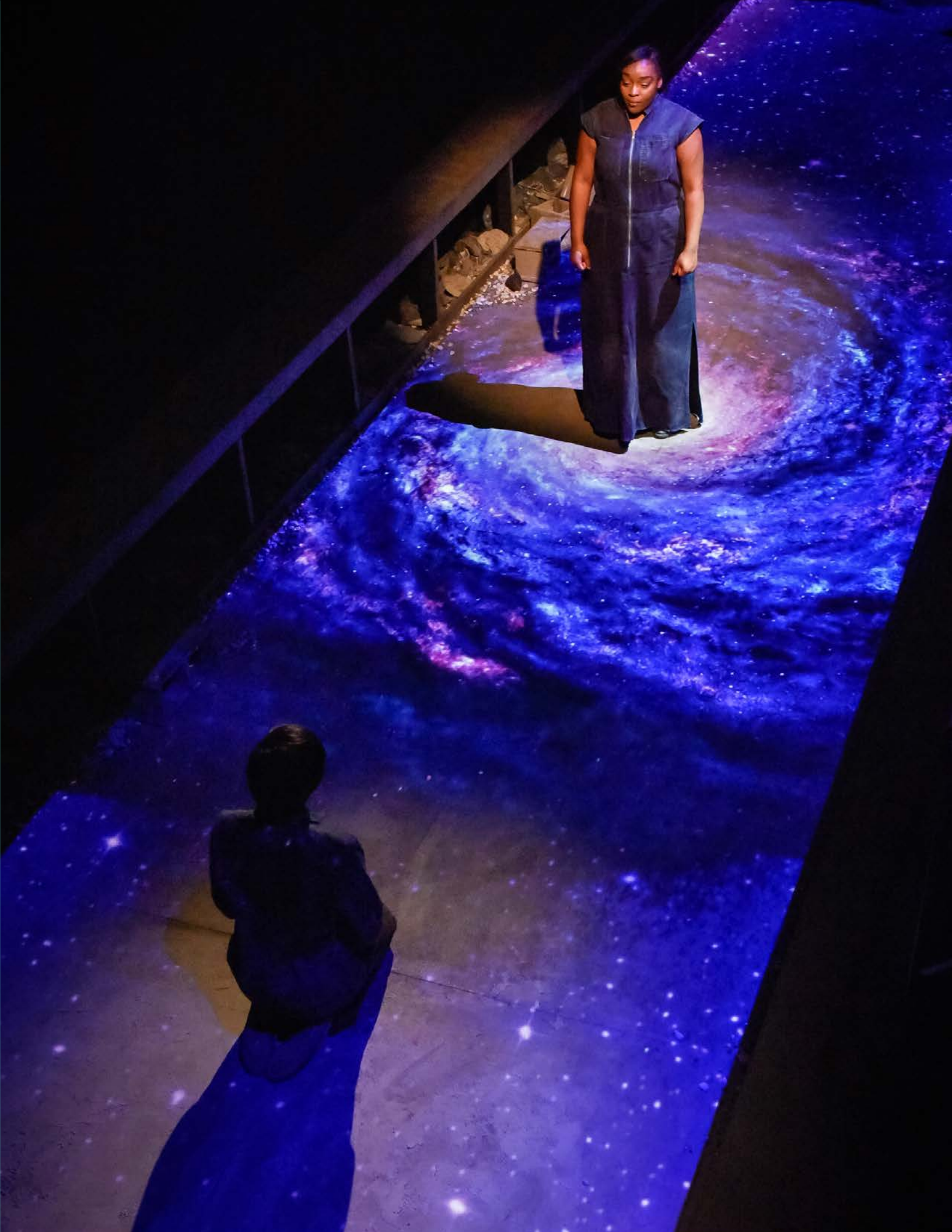
Patricia M. Moore, AB

Caroline Mulroney, ON

Paul Robillard, QC

Eleanore Romanow, SK

Nalini Stewart, ON



MESSAGE FROM THE CHAIR



Bernard Amyot, Ad. E.
Chair of the Board of Directors

Major transformation for an incomparable arts school

In June 2016, the National Theatre School adopted a historic Action Plan to reassert its position as Canada's premiere professional theatre school and build an even more diverse and inclusive community. Through the unflagging efforts of our teaching and administrative teams, we are well on our way to successfully implementing this ambitious Action Plan, which was announced last March.

In 2016-2017, we launched pilot projects in these new training streams, which were hugely successful. Our Intensive for 13- to 17-year-olds brought together 40 young artists at the Monument-National for an in-depth encounter with the various aspects of making theatre, while our partnership with Theatre Calgary's Shakespeare by the Bow program saw Rebecca Harper, Head of Movement at NTS, work with 30 young Albertan theatre-makers. Our new professional development classes in corsetry, shoe repair and motion capture—offered in partnership with video-game giant Ubisoft—offered highly specialized training to professional artists, and our inaugural Indigenous Artist in Residence, Carlos Rivera, completed the first year of his two-year training residency.

In 2017-2018, we will continue to build the content and infrastructure to support an increasing number of new programs, including advanced residencies for designers and independent residencies for directors Suman Rayamajhi and Ludger Beaulieu, from Nepal and Acadia respectively. The crown jewel of our new residency programs is the recently launched Artistic Leadership Development Residencies, in partnership with the Banff Centre for Arts and Creativity, which will train tomorrow's Artistic Directors. Our Community Programs are expanding as well, with our first offer of weekend and evening classes for young people and an extended offer of skills development opportunities for the professional milieu.

In October of this year, the School announced that it will assume responsibility for what was formerly known as the Sears Drama Festival, a beloved institution that gives over 15,000 young people their first contact with professional artists in Ontario, British Columbia and the Atlantic Provinces. With the help of new private partners, the Drama Festival will be expanded nationally over the next five years.

To support these initiatives we have launched an ambitious fundraising campaign with a target of \$1.5 million over three years. I want to thank the NTS Board of Directors, whose leadership has helped us raise \$1,195,200 already.

On the financial front, the School is posting strong results this year, after a challenging fiscal year in 2015–2016 due to unforeseen circumstances. Through sound financial management, NTS is now laying the foundation for the major transformations set out in its Action Plan.

MESSAGE FROM THE CHAIR

I would also like to take this opportunity to thank the Honourable Mélanie Joly, Minister of Canadian Heritage, and Luc Fortin, former Minister of Culture and Communications of Quebec, for their governments' highly anticipated contributions of \$1.5 million apiece to the renovation of the School's Annex. This work, which is so vital to the well-being of our students and the high quality of our training standards, is slated to begin in spring 2018.

In 2016–2017 the Board also approved important changes to NTS governance. Of particular note is a cap on directors' terms: three years per term, and a maximum of two consecutive terms, for a combined total of six years (with certain exceptions). This measure will endow our Board with a diverse skill set while acknowledging the high level of commitment demanded of directors from the day they take office.

It is my pleasure to welcome several new directors to the NTS Board: Nassib El-Husseini, CEO of The 7 Fingers collective; Jean-François Lacroix, CFO of D-BOX, a global leader in immersive movement technology; and Rosemary Thompson, Director of Communications and Public Affairs and Corporate Secretary of the National Arts Centre Corporation in Ottawa.

On behalf of the entire Board, let me also extend my heartfelt thank you to our outgoing directors. Ted Johnson, Jodi White, Richard Brott, Simon Dupéré and Brenda Jones Kinsella were all instrumental to the School's success. Ms. White and Mr. Johnson both served on the Board for over 20 years, including several as Board Chair. Both will be named NTS governors and will be joining the newly created Past Presidents committee that will assist in recruiting new chairs going forward.

I want to recognize Richard Brott's unwavering dedication to the School and its students. He sat on the NTS Board for over 20 years, and was a key member of the Finance and Investment Committee. My deep gratitude also goes out to Simon Dupéré, outgoing Board Treasurer, and Brenda Jones Kinsella, outgoing Board Secretary, for fulfilling their roles with such diligence and skill.

And I would be remiss not to commend NTS CEO Gideon Arthurs for his vision, leadership and staunch determination in spearheading the ambitious series of transformations that will boost the scope and impact of the School's contribution to theatre and to society. Special thanks as well to Alisa Palmer and Frédéric Dubois, artistic directors of the NTS's English and French sections, for constantly striving to improve the training our students receive and sending them out into the world as well-rounded artists who will help build a better world.

To wrap up, let me thank all of the School's financial partners, private and public, for their generous ongoing support. Each and every one of you contributes to the success of this school for the arts and the artists we train. The future of the National Theatre School of Canada has never been brighter.



Bernard Amyot, Ad. E.

MESSAGE FROM THE CEO



Gideon Arthurs
Chief Executive Officer

Bravely charting an ambitious path towards new possibilities

As the National Theatre School enters its 58th year of training the best and brightest theatre artists from around the country, I am proud to present this portrait of an institution that is inspired by its founding principles to bravely chart an ambitious path towards new possibilities for its future.

Since its inception, the School has had a dual purpose: to train people for careers in the theatre as it exists today and to equip them with the tools to change the world. Our earliest graduates were tasked with defining what a Canadian theatre would look like, and subsequent generations have fought—sometimes with the School itself—to bring new and marginalized voices to the stage. And so it shall continue for as long as the School is in operation, a swinging pendulum between practice and provocation. This creative tension is vital to the long-term success of NTS; it sets us apart and allows us to be more than a School, to be an agent of change that has the ability to alter the DNA of our creative communities and engage with the here and now in powerful ways.

For all the transformative potential of theatre, it is facing (yet another) set of existential questions. How do we come together in this fractured, digital, post-national world? What are our common stories? What is the role of the artist in society in a time of upheaval? These questions naturally beget important questions for NTS. How will the artists training at the School go on to shape our sense of self? How do we equip them to be adaptable and inventive while protecting the value of rigorous practice? What will the theatres they inherit look like in ten or twenty years?

The National Theatre School is positioning itself to engage fully with the world around it. But we must modernize and adapt to thrive in these complex times. Inspired by the transformative power of art to bring people together, NTS is creating new pathways to its premiere training and facilities that will build an ever more diverse and inclusive community around the School. New pathways that will help us take a leading role in strengthening a cultural sector that is in a moment of radical change. We will engage fully with the question of the role of the artist in society and welcome amongst us new perspectives—new stories—that can help define the next chapter for this organization and our nation.

Having successfully piloted several new programs last year, our focus in 2017-2018 is to build the durable administrative and pedagogical structures that will not only allow these new programs to continue but also give the School the flexibility and resources it needs to thrive.

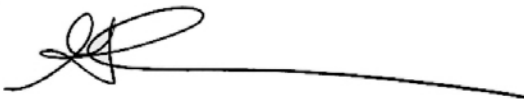
MESSAGE FROM THE CEO

All of this new activity will be based at the School's second campus, the wonderful Monument-National which will be celebrating its 125th anniversary in 2018. Over the coming months, the Monument-National will be transformed, under the able leadership of Sandra O'Connor, into a centre for learning, research and exchange for the performing arts, a busy hub for creators and communities to convene around theatre. This new centre will also act as our incubator for programs that are designed to be exported around the country.

This expansion is supported by a solid foundation of responsible administrative and financial management. We are pleased to welcome Daisy Lilly Best as Director of Operations, replacing Luc Pelletier who has assumed the new role of Director of Organizational Development. Their work will help us build on the positive financial results of last year's modest operational surplus and assure the long-term durability of new and existing programs. We are also delighted to have announced last spring an investment of \$1.5 million each from Canadian Heritage and *le Ministère de la culture et des communications du Québec* towards a \$3.5 million renovation of our training pavilion at 5030 Saint-Denis that will be completed in August 2018.

At the very heart of what we do at the School is our artistic team who works tirelessly to offer the best theatre training in the country. Led by Alisa Palmer and Frédéric Dubois, Artistic Directors of the English and French sections respectively, our Program Directors continue to define what we are as an institution through their rigour, creativity and generosity. Adding new perspectives to our pedagogy, we welcome Catherine La Frenière, who has replaced Louise Roussel as Director of the French Production program, and Andrea Romaldi, who has replaced Brian Drader as Director of English Playwriting after 13 years of incredible service. We are grateful to both Louise and Brian and know that their replacements will build on their legacies.

These are busy times for the National Theatre School, filled with optimism and ambition. I would like to acknowledge and thank the entire NTS family—permanent staff, visiting instructors, program directors, alumni and Board members—for their exceptional dedication and passion in pursuit of great things for NTS. I would also like to thank our funders, supporters and partners for their commitment to helping theatre in Canada thrive. Together, we are building a bright future for the National Theatre School of Canada.



Gideon Arthurs

NTS IN NUMBERS

November 2,
1960
OFFICIAL
OPENING
OF THE SCHOOL

170
students
across all professional
training programs

9 PROFESSIONAL
TRAINING PROGRAMS

23
STUDENT
SHOWS
PER YEAR

FIFTY
yearly
intake
of new students

**436 TEACHERS
HIRED IN A YEAR**

2 OVERALL RATIO
OF TEACHERS
PER STUDENTS

804 SEATS
IN THE LUDGER-DUVERNAY
THEATRE OF THE MONUMENT-
NATIONAL, NTS'S SECOND CAMPUS

2,074 ARTISTS
FINISHED THEIR TRAINING
AT NTS SINCE 1960

54 GASCON-THOMAS AWARDS
GIVEN OUT BY NTS SINCE 1990

80,000
CATALOGUED
DOCUMENTS
IN THE BLEVISS
FAMILY LIBRARY
COLLECTION

84,100 FT² SURFACE AREA OF THE MAIN CAMPUS,
MICHEL AND SURIA SAINT-DENIS PAVILION

HISTORY

“To meet the needs of Canada’s theatre, this country must train its own artists and workers.”

With these words, a plan was launched in 1960 for the establishment of the National Theatre School of Canada to prepare actors, directors, playwrights, designers, and production specialists for the professional theatre. Today, NTS offers training programs to over 160 students from across the country and beyond in all aspects of theatre making in both French and English.

The School is one of the cornerstones of the performing arts sector and has graduated some 2000 artists who have made incalculable contributions to our collective identity.

THE NATIONAL THEATRE SCHOOL OF CANADA LEADERSHIP

CEO: Gideon Arthurs

Artistic Director of the English Section: Alisa Palmer

Artistic Director of the French Section: Frédéric Dubois

A NATIONAL SCHOOL WITH A GLOBAL REACH

The School's influence is felt from coast to coast, and across the globe.



Eda Holmes ///
Directing, 1996

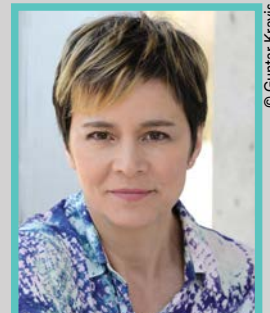


Brendan Healy ///
Directing, 2005

© Alejandro Santiago



Cliff Cardinal ///
Playwriting, 2015



Ann-Marie MacDonald ///
Acting, 1980

© Guntar Kravits

NTS has graduated some 2000 artists. Many of Canada's most important theatre, performance, film, and television artists are among their ranks.

Meet all of them at theatretraining.ca



© Luke Fontana

Jake Epstein ///
Acting, 2008



Morwyn Brebner ///
Playwriting, 1996



Colm Feore ///
Acting, 1980



Penny Ritco ///
Production, 1971



© Ian Brown

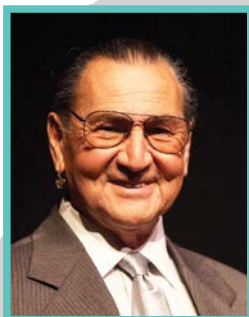
Hannah Moscovitch ///
Acting, 2001



Eleni Uranis ///
Set & Costume Design, 1986



Blair Brown ///
Acting, 1969



© Christian Blais

August Schellenberg ///
Acting, 1966



© Christian Blais

Sandra Oh ///
Acting, 1993



© Dan Lim

Allan Hawco ///
Acting, 2000

UPDATE FROM THE DEVELOPMENT AND ALUMNI OFFICE

What an exciting year of transformations it has been with even more monumental changes on the horizon! I am heartened by the support we have received from our Board of Directors who not only devote their time and acumen to us but also provide financial support to multiple campaigns and philanthropic initiatives at the School. Together we have raised \$1,195,200 on a three-year \$1.5 million goal. This devotion sends a strong message going forward. Armed with NTS's new Action Plan, we have direction and purpose to forge ahead together bringing ever more donors and partners into our orbit.

The Development Office is devoting time to maintaining contact with alumni while creating opportunities for connection. We have expanded the definition of our alumni network to include former staff, teachers and coaches as well as former board members and governors. In addition to acknowledging milestones, we are promoting pub nights where everyone can catch up in a relaxed and informal way. We will expand these to many more cities. Our greatest strength is our collective spirit and knowledge. We will promote opportunities to and within our network. To quote the late Paul Wellstone: "We all do better when we all do better." If you would like to volunteer, give us a shout!

Nearing its 60th anniversary, the School has matured to the point where former students, staff, board members and governors are beginning to plan for their "final exits." More and more of you are letting us know your wishes in advance. Estate planning is a beautiful way to support the arts. NTS is a worthy institution to carry on your legacy. We are grateful to all who, upon their final curtain, have bequeathed financial legacies both grand and humble to NTS. We are proud stewards of these legacies and will use the funds wisely for the benefit of future generations of creative artists.

As you will note in the pages that follow, there have been many poignant and vital donations this past year. We are grateful to all of our supporters. I would like to underscore two cases in particular. The first are the heartfelt gifts made in memory of Lydiane Mayo, a student in the French Production program who passed away just prior to her first day at NTS. Her family and friends are providing direct bursaries to students in her cohort so that they may realize the same creative dreams Lydiane had cherished. The second is a new donor to NTS: The George and Helen Vari Foundation. Helen Vari has pledged major support for our international exchange program, which will take place in March 2018 with the Conservatoire national supérieur d'art dramatique in Paris. The program will hence forth be named after the Foundation for the duration of Helen's commitment.

NTS values all its donors, sponsors and grant givers: new, old, major, modest, alumni, friend, corporation, foundation and government! Together we improve theatre arts by providing means by which our students and graduates can dig deeper and reach higher. Your gifts turn their gifts into art that matters. Thank you for playing your part!



Jean S. Stutsman
Director of Development

UPDATE FROM THE DEVELOPMENT AND ALUMNI OFFICE

PLANNED GIVING

NTS wishes to recognize the following individuals for having made planned gifts to the School either through their estates, life insurance policies, annuities, or other means. Please contact Jean S. Stutsman in the Development Office to make your own planned gift at 514 842-7954, ext. 141.

Realized Planned Gifts

Co-owned author's rights of the late Jean Besré
Estate of the late Jacques Rivest (gift-in-kind to the Bleviss Family Library)

Future Planned Gifts on File

Alan Bleviss (Acting 1966 & Life Governor)
Michael Eagan (Set & Costume Design, 1966)
Gil Desautels (NTS Governor)

MAJOR GIVING

NTS recognizes the following individuals, foundations, associations and corporations for continuing to fulfill their philanthropic pledges to Major Giving Solicitations past and present. Note that only pledges where a payment has been made are listed.

MONUMENTAL TRANSFORMATIONS

Anonymous (3)
Gideon Arthurs
Birks Family Foundation
Kathryn (NTS Director) & Brian Brownlie
Burrowes Family
Caisse Desjardins de la Culture
Foundation of Greater Montreal
George Cedric Metcalf Charitable Foundation
Colin Jackson (NTS Director) & Arlene Strom
Jean S. Stutsman

THE FUTURE IS NOW

Anonymous (1)
Bell Media Inc.
Alan Bleviss (Acting, 1966 & Life Governor)
Corus Entertainment Inc.
Fern Densem
Toronto Foundation
Slaight Family Foundation

REVEALING TALENT:

Anonymous (1)
Bernard Amyot (NTS Chair of the Board)
Alberta G. Cefis (NTS Director)
CIBC
Norman & Margaret Jewison
Charitable Foundation
Jean-Hugues Lafleur
Fondation Céline et Jacques Lamarre
Desjardins
Power Corporation of Canada
Scotiabank

UPDATE FROM THE DEVELOPMENT AND ALUMNI OFFICE

ANNUAL GIVING

NTS wishes to recognize the following individuals, foundations, associations and corporations for contributing philanthropically to its ongoing annual needs. This section includes donors who made direct contributions to areas of greatest need, student bursaries, specific programs and needs as well as those donors making tribute gifts. We give special thanks to Ada Slaight for providing a direct student prize in addition to all that she continues to support at our school.

Donations:

Anonymous (28)	Gilbert Grondin & Michelle Proulx
Bernard Amyot (NTS Chair of the Board)	Hélène Guay
Gideon Arthurs	The Hay Foundation
Mary & Herb Auerbach (NTS Life Governor)	Christine Higdon
Andreea Bargoveanu	Camilla Holland (NTS Director) & Colin Viebrock
Simon Barry	IODE Canada
Jean Bédard	Colin Jackson (NTS Director) & Arlene Strom
Mariam Bernstein (Acting, 1986)	Claudine Jacques
Trevor Bishop	Diane Jacques
Alan Blewiss (Acting, 1966 & NTS Life Governor)	J. Edward Johnson (NTS Director) & Sharon Vance
Suzanne P. Boivin	Gordon P. Jones (NTS Governor)
Mario Bourdon (Production, 1976)	Hugh Jones (Production, 1966)
Gordon Bricker	Kingfisher Foundation
Louis Brosseau	Brenda Jones Kinsella (NTS Director)
Kathryn (NTS Director) & Brian Brownlie	Fabienne Laisné
Thérèse Cadrin-Petit	Bernard Lavoie
Tullio Cedraschi (NTS Governor)	Monique Lefèbvre
Alberta G. Cefis (NTS Director)	Dominique Lemieux (<i>Scénographie</i> , 1986)
Cégep de Saint-Laurent, Theatre Department	D'Arcy Levesque (NTS Governor)
Dominic Champagne (<i>Écriture dramatique</i> , 1987) & Julie Castonguay	Andrea Lundy
Cleather Family	Shaun Lynch
Nicole Clément	Nicole Major
Céline Crête	Bidyut K. Majumdar
David Daniels (NTS Director) & Kate Alexander Daniels	Sheila Martin (NTS Governor)
Michael & Kim Davidman	Margaret Martinello Magner (NTS Governor)
Lucie De Stephano	Josée Mayo
Gil Desautels (NTS Governor)	Donna McLaurin (Production, 1978)
Terrie-Lynne Devonish (NTS Director)	Antonia Mooijekind
Sean Dolan	Nancy Morrison
Théâtre DUCEPPE	Laura Nanni
Hélène Duceppe	Luc Pelletier
Louise Duceppe	Jean Pelletier (<i>Écriture dramatique</i> , 1986)
Linda Dufort	Luc Plamondon
Simon Dupéré (NTS Director)	Noelline Proulx
Roy Dupuis (<i>Interprétation</i> , 1986)	Joan Richardson (NTS Director)
Marjorie Eldred	Peter Roberts
Lucien Forget (<i>Interprétation</i> , 1968)	Paul Robillard (NTS Governor)
Michel Godard	Eleanore Romanow (NTS Governor)
Monique Gratton-Amyot	Daniel Roussel (Production, 1988)
	Paul Savoie (<i>Interprétation</i> , 1970)
	Reena Schellenberg

All gifts noted in the following pages were received within the School's fiscal year of August 1, 2016 through July 31, 2017

UPDATE FROM THE DEVELOPMENT AND ALUMNI OFFICE

ANNUAL GIVING

Monty Schnieder (Production, 1975)
Dominique Lafon et Sylvain Simard
Ada Slaight
Nalini (NTS Governor) & Tim Stewart
Stratford Festival
Jean S. Stutsman
The George & Helen Vari Foundation
The Study
Yvon Turcot (NTS Governor)

Dr. Robert Walter (Acting, 1977)
and Dr. Jill Calder
Jodi White (NTS Director)

GIFTS- IN-KIND

In-kind donations include materials, documents and books of high value to the *Bleviss Family Library*, high-quality vintage fabrics and tools to our Costume Atelier, paints and properties, and gratefully consumed beverages.

Documents of value & interest to the Bleviss Family Library:

Anonymous (6)
Leo Berkowich
Carly Chamberlain (Directing 2016)
Marie-Sylvie Deveau (*Scénographie*, 1987)
Geneviève Germain
Claude Girard
Katka Hubacek (Set & Costume Design, 1996)
The Late Lucile Pépin
Aviva Ravel
Olivier Reichenbach
The late Janine Sutto
Michel Vaïs

Donations of fabrics, clothing and stage properties:

Anonymous (1)
Nevine Fateen
Pauline Langlois
MDG Fog Generator Ltd.
Jean S. Stutsman

The following individuals purchased John Coles' book *Énigme* about the late Jenepher Margaret Hooper (Set & Costume Design, 1967) to be given to recipients of her bursary:

Anonymous (5)
Lib Baillie
John Coles
Anna Coles
Sharron Hanna
Julia Roehrig

Should you wish to donate copies of the book to the next cohort of recipients, you may order copies through www.lulu.com and have them shipped to NTS. We will place your name on a nameplate before the book is given to the student.

UPDATE FROM THE DEVELOPMENT AND ALUMNI OFFICE

TRIBUTE GIVING

NTS accepts two types of tributes: those memorializing deceased individuals and those honoring individuals celebrating special life events. Note that donors to this program are listed under the Annual Giving heading. The School recognizes the following individuals for whom tributes were paid this year:

In Memoriam:

Yves-Étienne Banville (*Écriture dramatique*, 1982)
François Barbeau
Joseph Bleviss
Peter Dwyer
Lydiane Mayo
August Schellenberg (Acting, 1966)
Janine Sutto

In Honorarium:

Gil Desautels (NTS Governor) for his birthday
Andrea Lundy & the Production Class of 2017
for a job well-done!
Ian Lake (Acting, 2006) for his stellar
performance in “The Scottish Play”
Patrick Peachey-Higdon (Production, 2017)
for his graduation

SPONSORSHIP GIVING

NTS is proud to be affiliated with the following sponsors and partners:

Behr
Boréale (Les Brasseurs du Nord)
Complexe Desjardins
Dieu du Ciel!
Fauchois Fleurs
Groupe ABP / Sofa To Go
Hôtel Travelodge
Hôtel Zéro
Hydro-Québec

LA SERRE – Arts vivants
MDG Fog Generator Ltd.
Montréal en Lumière
Moosehead
Nothing But Nature Inc.
Omnison
Partenariat du Quartier des spectacles
Société des arts technologiques (SAT)

PUBLIC GRANT GIVING

NTS recognizes the following granting bodies for their loyal support and confidence in our mission.

Canadian Heritage
Ministère de la culture et des communications
du Québec
Ontario Ministry of Tourism, Culture and Sport
Conseil des arts de Montréal

Canada Council for the Arts
Ministère des Affaires municipales
et de l'Occupation du territoire
Ville de Montréal

All gifts noted in the following pages were received within the School's fiscal year of August 1, 2016 through July 31, 2017

SPECIAL FUNDS

Endowed Funds held in Community Foundations	Market Value as of Dec. 31, 2016 (\$)	Payout to NTS 2016-2017 (\$)
Foundation of Greater Montréal	3,755,790	136,180
Edmonton Community Foundation	1,464,764	58,146
Toronto Foundation	997,569	34,465
Vancouver Foundation	520,423	17,831
Fondation Québec Philanthrope	215,934	7,103
Foundation of Newfoundland & Labrador	204,646	7,708
Winnipeg Foundation	144,009	5,294
South Saskatchewan Community Foundation	98,651	3,286
TOTAL	7,401,786	270,013

Direct Bursary Funds held in Community Foundations	Allocated Bursaries in 2016-2017 (\$)
Foundation of Greater Montreal	48,140
Toronto Foundation	1,627
Vancouver Foundation	772
TOTAL	50,539

Endowment Funds held by the National Theatre School	Accumulated Donations as of July 31, 2017 (\$)	Bursaries, Prizes & Funds Distributed (\$)
Jenepher Margaret Hooper	2,430,329	57,080
Creation & Technology Fund	1,865,100	71,491
Directing Chair Fund	1,167,000	44,937
NTS Governors & Members Fund	731,275	32,501
Community Engagement & Student Program's Fund	529,000	6,418
National Theatre School of Canada	504,257	22,517
Joseph Bleviss Memorial	322,073	11,830
Cirque du Soleil	260,125	9,750
Suzanne Grossman Fund	244,936	9,659
National Bank	200,000	7,490
Honourable Pauline McGibbon	189,343	7,090
Playwriting Chair Fund	178,051	7,100
Power Corporation of Canada	175,000	6,560
Canada Mortgage and Housing Corporation	150,000	5,620
TransCanada PipeLines Limited	140,000	5,250
NTS Alumni	132,419	4,960
Eric Steiner	125,650	4,710
Québec	118,340	4,430

SPECIAL FUNDS

Endowment Funds held by the National Theatre School	Accumulated Donations as of July 31, 2017 (\$)	Bursaries, Prizes & Funds Distributed (\$)
Philippe Casgrain	114,900	4,500
Bruno Gerussi	108,845	2,140
Barbara & John Poole	100,000	3,750
RBC Royal Bank	100,000	3,750
Hydro-Québec	96,000	3,600
Enbridge	91,200	3,420
TD Bank Group	90,000	3,370
Tullio Cedraschi Fund & Award	85,800	5,000
Cogeco	77,500	2,900
Carol & David Appel	63,205	2,370
Simon Brault & Louise Sicuro	62,357	2,340
Michel & Suria St-Denis	62,000	2,320
Rogers Communications	60,000	2,250
Alberta	59,950	-
Walter Carsen	58,000	2,170
Kahanoff Foundation	55,000	2,060
Bram & Bluma Appel	51,323	1,920
Barrick Heart of Gold	50,000	1,870
CIBC	50,000	1,870
Caisse centrale Desjardins	50,000	1,870
Cliff Minshull	50,000	1,870
Onex Corporation	50,000	1,870
Solomon Jack Safian	50,000	1,870
Eaton Foundation	46,141	1,730
Ada Slaight	45,357	1,700
Norman & Margaret Jewison Charitable Foundation	39,000	1,310
Nova Scotia	36,000	-
Burrowes Family	35,000	1,310
Robert E. Landry	34,300	1,290
Michel Tremblay	34,078	1,280
Nalini Stewart & Family	31,518	1,160
Arthur & Esther Gelber	30,200	1,110
Donald & Murray Davis	30,000	1,120
Leo Ciceri	29,713	-
Imperial Tobacco Canada Ltd.	29,000	1,090
Monique Mercure	28,898	1,080
S.M. Blair Family Foundation	27,950	1,050
American Express	25,500	960
Seagram Company Ltd.	25,000	940

SPECIAL FUNDS

Endowment Funds held by the National Theatre School	Accumulated Donations as of July 31, 2017 (\$)	Bursaries, Prizes & Funds Distributed (\$)
Craig Foundation	25,000	-
Bernard A. Roy	25,000	940
Rio Tinto Alcan	25,000	940
Bernard Amyot Fund & Teaching Prize	24,754	1,000
Saskatchewan	24,706	930
Patricia & David Rubin Family	24,200	910
Jodi White	23,935	880
25th Anniversary Gala	22,500	840
Petro-Canada	22,500	840
Brenda Jones Kinsella	22,020	810
Birks Family Foundation	22,000	820
George Wesley	22,000	820
Sam Sniderman & Janet Mays	21,650	810
Manitoba	21,000	-
Desjardins	20,743	780
Gil Desautels	20,527	660
Allard Foundation	20,000	750
Axor Monument National	20,000	750
Chawkers Foundation	20,000	750
Cleather Family	20,000	700
J.A. DeSève	20,000	750
Luc Plamondon	19,976	800
Patricia M. Moore	19,100	720
Britte Moreno	18,675	700
Jean Besré	18,182	670
J. Edward Johnson & Sharon Vance Family	17,340	630
Somer-Alberg	17,150	640
TNM – Jean Louis Roux	16,520	620
Peter & Shelagh Godsoe	15,427	580
Fednav Ltd.	15,000	560
J. Armand Bombardier Foundation	15,000	560
Tecolote Foundation	15,000	-
Metro	15,000	560
Paterson Foundation	15,000	560
Pratt & Whitney Canada	15,000	560
Donald Sutherland & Francine Racette	15,000	560
SNC-Lavalin	15,000	560
Yvon Turcot	15,000	550
Eleanore Romanow	14,800	540

SPECIAL FUNDS

Endowment Funds held by the National Theatre School	Accumulated Donations as of July 31, 2017 (\$)	Bursaries, Prizes & Funds Distributed (\$)
Adrian Merchant Macdonald & Donald S. Macdonald	14,640	550
François Barbeau	13,085	-
Rothmans Benson & Hedges Inc.	13,000	490
Kaaren & Kerry L. Hawkins	12,200	440
Johanna & Cameron Mitchell	12,200	460
Jacqueline & Derek Oland	12,200	460
Mary & Herb Auerbach	12,000	430
Tom Carew	11,830	440
Hayden/Sime	11,700	440
Jean Claude Baudinet	11,500	430
Paul Robillard	11,374	410
Sims Family Prize for Teaching Excellence	11,100	450
Kathryn & Brian Brownlie	11,060	400
Nouveau-Brunswick	11,049	-
D'Arcy Levesque	10,900	410
Yves-Étienne Banville	10,840	390
Assia De-Vreeze	10,825	410
IPSCO	10,700	400
Francine Émond and Charles Maher	10,350	400
Karasevich Schellenberg	10,226	380
John Codner	10,107	380
Bell Mobility	10,000	370
CN	10,000	370
Canadian Pacific	10,000	370
Bernard G. Côté	10,000	370
Emera	10,000	-
Empire Life Insurance Company	10,000	370
Atomic Energy of Canada	10,000	370
Ernst & Young	10,000	370
John-Labatt Foundation	10,000	370
Luba Goy	10,000	370
Hamber Foundation	10,000	370
Hunt Oil Company of Canada Inc.	10,000	370
J.D. Irving Ltd.	10,000	370
Henry White Kinnear Foundation	10,000	370
Lévesque Beaubien Geoffrion	10,000	370
McLean Foundation	10,000	370
George Cedric Metcalf Charitable Foundation	10,000	370
Moosehead	10,000	370

SPECIAL FUNDS

Endowment Funds held by the National Theatre School	Accumulated Donations as of July 31, 2017 (\$)	Bursaries, Prizes & Funds Distributed (\$)
Nova Chemicals Corporation	10,000	370
David Peacock	10,000	370
Nancy G. Power	10,000	370
Productions Benoît Brière inc.	10,000	370
RSA	10,000	370
Diana & Irving Schwartz	10,000	-
Shaw Communications	10,000	370
Kayla Shoctor	10,000	370
Sunwapta Broadcasting	10,000	370
Alvin Segal	10,000	370
Universal Studios	10,000	370
Velan Inc.	10,000	370
Richardson Family	5,300	-
G.R.A. Rice	500	-
TOTAL	12,935,024	440,183

VOLUNTEERS

NTS is grateful for the contribution of the following volunteers and interns who assisted on a variety of projects and programs at the school:

The Board of Directors 2016-2017:
See list of names on page 4

NTS Governors & Life Governors:
See list of names on page 4

Alumni:
Charles Maher (Production, 1976)

Interns (Stagiaires):
Anonymes (2)
Winnie Lominy
Freddy Puentes
Sashi Ramnial

Friends of the NTS
Dalila Talbi



Minister
of Canadian Heritage



Ministre
du Patrimoine canadien

Ottawa, Canada K1A 0M5



As we mark Canada 150, it is the perfect time to celebrate our country's extraordinary arts and culture. The future of Canadian theatre will no doubt be shaped by graduates of the National Theatre School of Canada.

Our government is proud to support the School, one of our foremost theatre training institutions. It provides our emerging actors, directors, playwrights and designers with the tools to succeed and make their mark on stages in Canada and around the world. It also reaches out to the broader community to make theatre accessible to people of all ages and backgrounds.

As Minister of Canadian Heritage, I would like to thank all the staff and students of the National Theatre School of Canada for their outstanding contributions to our country's cultural vitality.

A handwritten signature in blue ink, reading "M. Joly".

The Honourable Mélanie Joly

Canada 





*Greetings from the Honourable Eleanor McMahon
Minister of Tourism, Culture and Sport*

On behalf of the Government of Ontario, I want to recognize the National Theatre School of Canada for the role it plays to foster emerging talent, inspire creativity and set a high standard of excellence.

For nearly six decades, the school has made a huge mark on the performing arts landscape across the country. In Ontario, we are fortunate to have a vibrant film, television and theatre scene, which is made stronger by the many contributions of alumni from the National Theatre School.

Our government is pleased to support the school's work to nurture a world-class theatre sector in Canada.

Congratulations to the faculty, board and staff on your successes over this past year. I look forward to seeing all that you have in store for the future.

All my best,

A handwritten signature in black ink, reading "Eleanor McMahon". The signature is written in a cursive style.

Eleanor McMahon
Minister



In this year of Montréal's 375th anniversary, our culture is being celebrated throughout the city. This effervescence is a mark of the vitality of the creators who shape our collective identity and who confirm our status as a cultural metropolis.

For more than half a century and some 2,000 graduates later, the National Theatre School of Canada has been instructing generations of solidly-trained artists, filling us with pride, both here and abroad.

I wish to thank the CEO of the school, Mr. Gideon Arthurs, who put in place an ambitious action plan and who carries it out with conviction and commitment.

The strategy of openness in offering classes to the general public creates bridges and converges towards Living Together, something we have made a development priority here in Montréal.

I applaud in particular the residency program for indigenous artists, an initiative that connects directly with the national reconciliation process to which the city has formally committed itself.

This new vision, which is based on the democratization of culture, is in line with the priorities of the second draft of our Cultural Development Policy 2017-2022, and for that, I am delighted.

Well on its way to reaching its 60th anniversary and by virtue of its excellence in teaching, the National Theatre School of Canada paves the road ahead for our culture, from one ocean to the other.

Congratulations!

A handwritten signature in black ink, which appears to be "Denis Coderre". The signature is fluid and stylized, with a large loop at the end.

Denis Coderre
Maire de Montréal
Mayor of Montréal



National Theatre School of Canada
Financial Statements
July 31, 2017

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Raymond Chabot Grant Thornton

Independent Auditor's Report

Raymond Chabot Grant Thornton LLP

Suite 2000
National Bank Tower
600 De La Gauchetière Street West
Montréal, Quebec H3B 4L8

To the Board of Directors of
National Theatre School of Canada

Telephone: 514-878-2691
Fax: 514-878-2127
www.rcgt.com

We have audited the accompanying financial statements of National Theatre School of Canada, which comprise the statement of financial position as at July 31, 2017 and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Theatre School of Canada as at July 31, 2017 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.

Raymond Cholet Grant Thornton LLP¹

Montréal
September 25, 2017

¹ CPA auditor, CA public accountancy permit no. A117472

National Theatre School of Canada Operations

Year ended July 31, 2017

	General Administration				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	Restricted		Endowment (Note 19)	
	2017	2016	2017	2016									2017	2016		
	General Fund	Loan Fund	Total	Total									Total	Total	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues																
Grants (Note 4)	5,025,000		5,025,000	5,113,000	25,000								25,000	1,500,000	112,747	1,750,907
Private donations (Note 5)	411,634		411,634	517,799		89,555				(1,000)			88,555	110,022		
Self-generated revenue (Note 6)	2,012,504		2,012,504	1,973,670												
Investment income from community foundations (Note 7)	161,214		161,214	110,361		51,539							51,539	49,704		
Net investment income (Note 8)	23,360	17,948	41,308	30,668	451,082	960,757	29,362	192,412	12,606	180,194	24,245	43,770	1,894,428	296,711		
	<u>7,633,712</u>	<u>17,948</u>	<u>7,651,660</u>	<u>7,745,498</u>	<u>476,082</u>	<u>1,101,851</u>	<u>29,362</u>	<u>192,412</u>	<u>12,606</u>	<u>179,194</u>	<u>24,245</u>	<u>43,770</u>	<u>2,059,522</u>	<u>1,956,437</u>	<u>112,747</u>	<u>1,750,907</u>
Expenses																
Teaching staff																
Salaries and employee benefits	2,881,932		2,881,932	2,990,586												
Allowances	146,358		146,358	176,592												
Building																
Salaries and employee benefits	69,705		69,705	72,718												
Operating expenses	390,228		390,228	428,277												
Teaching equipment	18,474		18,474	28,255												
Special projects				1,547												
Public performances	253,322		253,322	267,523												
Stores																
Salaries and employee benefits	51,675		51,675	52,457												
Supplies	62,167		62,167	58,930												
Library																
Salaries and employee benefits	207,147		207,147	213,205												
Books and supplies	45,850		45,850	40,043												
Training initiatives	107,368		107,368	99,095												
Auditions and communications																
Salaries and employee benefits	423,795		423,795	391,438												
Audition tours	26,471		26,471	29,831												
Communications	200,149		200,149	253,951												
Monument-National (Note 9)	1,427,424		1,427,424	1,513,403												
Administration																
Salaries and employee benefits	651,794		651,794	683,981												
Other	177,411		177,411	204,942												
Other	65,681		65,681	70,965												
Amortization of buildings					564,274								564,274	562,467		
Amortization of furniture, equipment, automotive equipment and computer equipment					129,208								129,208	160,397		
Bursaries and funds allocated						411,397	7,100	44,937	4,500	71,491	9,659	6,418	555,502	495,605		
Pension plan expense (Notes 20 and 21)	413,000		413,000	423,000												
	<u>7,619,951</u>	<u>-</u>	<u>7,619,951</u>	<u>8,000,739</u>	<u>693,482</u>	<u>411,397</u>	<u>7,100</u>	<u>44,937</u>	<u>4,500</u>	<u>71,491</u>	<u>9,659</u>	<u>6,418</u>	<u>1,248,984</u>	<u>1,218,469</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u>13,761</u>	<u>17,948</u>	<u>31,709</u>	<u>(255,241)</u>	<u>(217,400)</u>	<u>690,454</u>	<u>22,262</u>	<u>147,475</u>	<u>8,106</u>	<u>107,703</u>	<u>14,586</u>	<u>37,352</u>	<u>810,538</u>	<u>737,968</u>	<u>112,747</u>	<u>1,750,907</u>

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

National Theatre School of Canada
Changes in Fund Balances

Year ended July 31, 2017

	General Administration				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	Restricted		Endowment (Note 19)		
	2017	2016	2017	2016									2017	2016	2017	2016	
	General Fund		Loan Fund	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	
	Unrestricted	Restricted (Note 20)															
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Fund balances (negative), beginning of year		845,097	208,572	1,053,669	2,199,910	24,285,060	3,920,340	181,324	1,370,329	36,355	357,623	47,147	(5,796)	30,192,382	29,454,414	12,822,277	11,071,370
Excess (deficiency) of revenues over expenses	13,761		17,948	31,709	(255,241)	(217,400)	690,454	22,262	147,475	8,106	107,703	14,586	37,352	810,538	737,968	112,747	1,750,907
Remeasurements and other items (employee future benefits)	769,000			769,000	(891,000)												
Interfund transfer	(782,761)	782,761															
Fund balances, end of year	–	1,627,858	226,520	1,854,378	1,053,669	24,067,660	4,610,794	203,586	1,517,804	44,461	465,326	61,733	31,556	31,002,920	30,192,382	12,935,024	12,822,277

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

National Theatre School of Canada

Cash Flows

Year ended July 31, 2017

	<u>2017</u>	<u>2016</u>
	\$	\$
OPERATING ACTIVITIES		
Excess of revenues over expenses of the general administration and restricted funds	842,247	482,727
Non-cash items		
Remeasurements and other items (employee future benefits)	769,000	(891,000)
Employee future benefit liability	(667,000)	1,006,000
Employee future benefit asset		45,000
Amortization of tangible capital assets	693,482	722,864
Net change in fair value of investments	(1,260,239)	315,557
Net change in working capital items (Note 3)	392,649	(18,032)
Cash flows from operating activities	<u>770,139</u>	<u>1,663,116</u>
INVESTING ACTIVITIES		
Disposal of investments	15,355,379	12,173,331
Investments	(16,010,754)	(13,838,098)
Acquisition of tangible capital assets	(107,032)	(154,424)
Cash flows from investing activities	<u>(762,407)</u>	<u>(1,819,191)</u>
FINANCING ACTIVITIES		
Net change in bank loan		(1,500,000)
Long-term debt		1,500,000
Repayment of long-term debt	(94,217)	(68,252)
Private donations to endowment	112,747	1,750,907
Government grants receivable	94,217	(1,475,820)
Cash flows from financing activities	<u>112,747</u>	<u>206,835</u>
Net increase in cash	120,479	50,760
Cash, beginning of year	<u>129,417</u>	<u>78,657</u>
Cash, end of year	<u><u>249,896</u></u>	<u><u>129,417</u></u>

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

National Theatre School of Canada
Financial Position

July 31, 2017

	2017										2016		
	General Administration						Restricted						
	General Fund	Loan 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	Endowment Fund	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS													
Current													
Cash	249,896											249,896	129,417
Trade and other receivables (Note 10)	221,969	576	13,040	34,120	988	6,906	417	6,000	803	1,437		286,256	196,682
Prepaid expenses	16,781											16,781	14,258
Advance to General Fund, without interest											24,072		
Advance to Loan Fund, without interest	271												
Advance to Capital Asset Fund, without interest	58,397												
Advance to Bursary Fund, without interest	12,557												
Advance to Playwriting Chair Fund, without interest	7,568												
Advance to Directing Chair Fund, without interest	34,656												
Advance to Philippe-Casgrain Fund, without interest	4,700												
Advance to Creation and Technology Fund, without interest	32,470												
Advance to Suzanne-Grossmann Fund, without interest	9,554												
Advance to Community Engagement and Student Programs Fund, without interest	5,597												
Current portion of government grants receivable (Note 11)	194,072		96,329									290,401	288,288
	848,488	576	109,369	34,120	988	6,906	417	6,000	803	1,437	24,072	843,334	628,645
Long-term													
Government grants receivable (Note 11)			1,416,482									1,416,482	1,512,812
Investments (Note 12)	3,372,723	226,215	5,121,954	4,589,231	210,166	1,545,554	48,744	491,796	70,484	35,716	12,910,952	28,623,533	26,707,921
Tangible capital assets (Note 13)			18,991,063									18,991,063	19,549,060
	4,221,211	226,791	25,638,868	4,623,351	211,154	1,552,460	49,161	497,796	71,287	37,153	12,935,024	49,874,414	48,398,438
LIABILITIES													
Current													
Trade payables and other operating liabilities (Note 15)	775,767											775,767	400,550
Refundable deposits	15,049											15,049	21,953
Government grants received in advance (Note 16)	278,750											278,750	406,750
Advance from General Fund, without interest		271	58,397	12,557	7,568	34,656	4,700	32,470	9,554	5,597			
Advance from Endowment Fund, without interest	24,072												
Contributions and deferred revenues (Note 17)	1,160,715											1,160,715	887,829
Current portion of long-term debt			96,329									96,329	94,216
	2,254,353	271	154,726	12,557	7,568	34,656	4,700	32,470	9,554	5,597	-	2,326,610	1,811,298
Long-term													
Long-term debt (Note 18)			1,416,482									1,416,482	1,512,812
Employee future benefit liability (Note 21)	339,000											339,000	1,006,000
	2,593,353	271	1,571,208	12,557	7,568	34,656	4,700	32,470	9,554	5,597	-	4,082,092	4,330,110
FUND BALANCES													
Invested in tangible capital assets			18,962,614									18,962,614	19,549,060
Externally restricted			5,105,046	3,912,292	203,586	1,517,804	44,461	465,326	61,733	31,556	11,390,881	22,732,685	21,304,605
Internally restricted (Notes 19 and 20)	1,627,858	226,520	24,067,660	698,502	203,586	1,517,804	44,461	465,326	61,733	31,556	1,544,143	4,097,023	3,214,663
	1,627,858	226,520	24,067,660	4,610,794	203,586	1,517,804	44,461	465,326	61,733	31,556	12,935,024	45,792,322	44,068,328
	4,221,211	226,791	25,638,868	4,623,351	211,154	1,552,460	49,161	497,796	71,287	37,153	12,935,024	49,874,414	48,398,438

The accompanying notes 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, 2017

1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

National Theatre School of Canada, 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 and notes to financial statements. 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, money market securities and Treasury bills 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, 2017

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund accounting

Assets, liabilities, revenues and expenses relating to the Organization's general activities are reported in the General Fund.

Assets, liabilities, revenues and expenses to provide financial assistance through emergency loans to students of the Organization who need short-term financial support are reported in the Loan Fund. These loans are without interest and payable in 90 days.

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

Assets, liabilities, revenues and expenses to provide 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 the 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 support 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 enrich 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 support 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.

The Endowment Fund presents resources received as endowments.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

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 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 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 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 in the Endowment Fund.

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 acquired. Income from the interest in net income of mutual funds is recognized upon distribution. Changes in fair value are recognized when they occur.

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 Fund.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment income from Endowment Fund resources is presented in the Bursary Fund, the Playwriting Chair Fund, the Directing Chair Fund, the Philippe-Casgrain Fund, the Creation and Technology Fund, the Suzanne-Grossmann Fund or the 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, the Playwriting Chair Fund, the Directing Chair Fund, the Philippe-Casgrain Fund, the Creation and Technology Fund, the Suzanne-Grossmann Fund or the 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.

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%
Furniture, equipment and automotive equipment	25%
Computer equipment	50%

Write-down

When the Organization recognizes that a tangible capital asset no longer has any long-term service potential, the excess of net carrying amount of the tangible capital asset over its residual value is recognized as an expense in the statement of operations.

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.

The Organization determines the defined benefit obligations using a separate actuarial valuation prepared for accounting purposes, which is determined using the projected benefit method prorated on services and management's best estimates at the date of the complete actuarial valuation. The obligation balance is based on the most recent complete actuarial valuation 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 the statement of operations under Pension plan expense.

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Remeasurements and other items, including the actuarial gains and losses related to the obligations, the difference between the actual return on plan assets and interest income reduced by the financial cost and the cost of past services, are recorded separately in the statement of changes in fund balances. Remeasurements and other items are not reclassified in the statement of operations at 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 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 financial position date. Revenues 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 the operations for the year.

3 - INFORMATION INCLUDED IN CASH FLOWS

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

	<u>2017</u>	<u>2016</u>
	\$	\$
Trade and other receivables	(89,574)	9,234
Prepaid expenses	(2,523)	14,517
Trade payables and other operating liabilities	346,764	36,021
Refundable deposits	(6,904)	578
Government grants received in advance	(128,000)	(211,812)
Contributions and deferred revenues	272,886	133,430
	<u>392,649</u>	<u>(18,032)</u>

4 - GRANTS

	<u>2017</u>	<u>2016</u>
	\$	\$
General Fund		
Department of Canadian Heritage	4,500,000	4,600,000
Ministère de la Culture et des Communications du Québec	440,000	440,000
Ontario Ministry of Tourism, Culture and Sport	50,000	50,000
Conseil des arts de Montréal	20,000	20,000
Ministère des Affaires municipales et de l'Occupation du territoire	15,000	
Department of Culture, Tourism and Healthy Living of New Brunswick		2,000
Manitoba Arts Council		1,000
	<u>5,025,000</u>	<u>5,113,000</u>

National Theatre School of Canada
Notes to Financial Statements
 July 31, 2017

4 - GRANTS (Continued)

	<u>2017</u>	<u>2016</u>
	\$	\$
Capital Asset Fund		
Ville de Montréal	25,000	
Ministère de la Culture et des Communications du Québec		1,500,000
	<u>25,000</u>	<u>1,500,000</u>
	<u>5,050,000</u>	<u>6,613,000</u>

5 - PRIVATE DONATIONS NOT AFFECTED TO ENDOWMENT

	<u>2017</u>	<u>2016</u>
	\$	\$
General Fund		
Individuals	121,944	170,695
Businesses	232,385	258,764
Foundations	41,305	54,600
Public organizations and other	16,000	33,740
	<u>411,634</u>	<u>517,799</u>
Bursary Fund		
Individuals	69,023	34,700
Businesses	6,082	7,000
Foundations	1,450	23,016
Public organizations and other	13,000	
	<u>89,555</u>	<u>64,716</u>
Creation and Technology Fund		
Individuals	(1,000)	500
Businesses		44,806
	<u>(1,000)</u>	<u>45,306</u>
	<u>500,189</u>	<u>627,821</u>

6 - SELF-GENERATED REVENUE

	<u>2017</u>	<u>2016</u>
	\$	\$
Monument-National (Note 9)	1,049,697	1,050,986
Student fees	820,199	795,550
Audition fees	46,620	48,180
Library subscriptions	28,573	29,353
Rentals	35,253	21,118
Other	32,162	28,483
	<u>2,012,504</u>	<u>1,973,670</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

7 - COMMUNITY FOUNDATIONS

As of July 31, 2017, 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.

The Organization recognized \$212,753 (\$160,065 in 2016) 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 Fund of these foundations will be paid to the Organization at least once a year. Should the Organization discontinue its operations, ownership of the fund will remain with the community foundation which will use the fund to benefit other charitable organizations with similar objectives.

These funds have not been presented in the Organization's financial statements because ownership lies with 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>2016-12-31</u>	<u>2015-12-31</u>
	\$	\$
Fondation du Grand Montréal	3,755,790	3,618,400
Edmonton Community Foundation	1,464,764	1,453,660
Toronto Foundation	997,569	1,003,026
Vancouver Foundation	520,423	498,319
Community Foundation of Newfoundland and Labrador	204,646	205,092
South Saskatchewan Community Foundation	98,651	93,892
Winnipeg Foundation	144,009	138,856
Fondation Québec Philanthrope	215,934	214,344
	<u>7,401,786</u>	<u>7,225,589</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

8 - NET INVESTMENT INCOME

	<u>2017</u>	<u>2016</u>
	\$	\$
General Fund		
Investments measured at fair value		
Changes in fair value from unrestricted resources	<u>23,360</u>	<u>28,401</u>
Loan Fund		
Investments measured at fair value		
Changes in fair value from internally restricted resources	<u>18,986</u>	<u>3,358</u>
Transaction costs	<u>(1,038)</u>	<u>(1,091)</u>
	<u>17,948</u>	<u>2,267</u>
Capital Asset Fund		
Investments measured at fair value		
Changes in fair value from restricted resources (a)	<u>474,661</u>	<u>73,606</u>
Transaction costs	<u>(23,579)</u>	<u>(23,085)</u>
	<u>451,082</u>	<u>50,521</u>
Bursary Fund		
Investments measured at fair value		
Changes in fair value		
Earned on resources held for endowment and restricted for bursary purposes (a)	<u>1,023,363</u>	<u>264,126</u>
Transaction costs	<u>(62,606)</u>	<u>(56,421)</u>
	<u>960,757</u>	<u>207,705</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)	<u>31,155</u>	<u>5,167</u>
Transaction costs	<u>(1,793)</u>	<u>(1,882)</u>
	<u>29,362</u>	<u>3,285</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)	<u>204,966</u>	<u>31,561</u>
Transaction costs	<u>(12,554)</u>	<u>(12,268)</u>
	<u>192,412</u>	<u>19,293</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)	<u>13,374</u>	<u>1,364</u>
Transaction costs	<u>(768)</u>	<u>(862)</u>
	<u>12,606</u>	<u>502</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

8 - NET INVESTMENT INCOME (Continued)

	<u>2017</u>	<u>2016</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)	190,899	20,884
Transaction costs	<u>(10,705)</u>	<u>(9,206)</u>
	<u>180,194</u>	<u>11,678</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)	25,706	2,931
Transaction costs	<u>(1,461)</u>	<u>(1,548)</u>
	<u>24,245</u>	<u>1,383</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 theatre and cultural outing purposes (a)	46,373	4,450
Transaction costs	<u>(2,603)</u>	<u>(2,106)</u>
	<u>43,770</u>	<u>2,344</u>
	<u>1,935,736</u>	<u>327,379</u>

(a) Investment income on \$25,024,597 is externally restricted for different purposes. Investment income on the remaining \$3,598,938 is unrestricted. The total amount of investment income from resources held for endowment purposes and restricted to specific funds is \$2,010,497 for the year ended July 31, 2017 (\$404,089 for the year ended July 31, 2016).

9 - MONUMENT-NATIONAL

	<u>2017</u>	<u>2016</u>
	\$	\$
Revenues		
Rental of theatres and sales of goods and services	986,197	983,156
Sponsorships	<u>63,500</u>	<u>67,830</u>
	<u>1,049,697</u>	<u>1,050,986</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

9 - MONUMENT-NATIONAL (Continued)

	<u>2017</u>	<u>2016</u>
	\$	\$
Expenses		
Buildings		
Salaries	119,918	119,961
Operating expenses	392,964	401,585
Operations		
Salaries	459,063	497,854
Events and front of house	83,017	118,709
Services to the public	99,221	89,786
Services to the producers	273,241	285,508
	<u>1,427,424</u>	<u>1,513,403</u>
Deficiency of revenues over expenses before amortization (a)	<u>(377,727)</u>	<u>(462,417)</u>

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

10 - TRADE AND OTHER RECEIVABLES

	<u>2017</u>	<u>2016</u>
	\$	\$
General Fund		
Accounts receivable of the Monument-National (a)	187,692	107,287
Accrued interest	3,544	2,887
Student loans, without interest	3,013	2,200
Sales taxes receivable		6,419
Other	27,720	27,923
	<u>221,969</u>	<u>146,716</u>
Accrued interest		
Loan Fund	576	
Capital Asset Fund	13,040	10,807
Bursary Fund	34,120	33,408
Playwriting Chair Fund	988	
Directing Chair Fund	6,906	5,751
Philippe-Casgrain Fund	417	
Creation and Technology Fund	6,000	
Suzanne-Grossmann Fund	803	
Community Engagement and Student Programs Fund	1,437	
	<u>286,256</u>	<u>196,682</u>

(a) Amounts owing from one customer represent 56% of the Monument-National accounts receivable (11% in 2016).

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

11 - GOVERNMENT GRANTS RECEIVABLE

	<u>Current portion</u>	<u>2017</u>	<u>2016</u>
	\$	\$	\$
General Fund			
Department of Canadian Heritage	194,072	194,072	194,072
Capital Asset Fund			
Ministère de la Culture et des Communications du Québec (a)	96,329	1,512,811	1,607,028
		1,706,883	1,801,100
Current portion	290,401	290,401	288,288
		1,416,482	1,512,812

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

National Theatre School of Canada Notes to Financial Statements

July 31, 2017

12 - INVESTMENTS

	2017										2016	
	General Administration					Restricted and endowed					Total	Total
	General Fund	Loan 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		
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Cash	10,466	1,488	33,687	88,140	2,553	17,841	1,076	15,501	2,075	3,714	176,541	766,013
Treasury bills	–	17,584	398,153	1,041,737	30,178	210,859	12,721	183,212	24,519	43,898	1,962,861	339,609
Money market securities	3,064,071	–	–	–	–	–	–	–	–	–	3,064,071	2,908,544
Bonds												
Other federal institutions		7,433	168,295	440,332	12,756	89,128	5,377	77,442	10,364	18,555	829,682	945,367
Provincial		49,716	1,125,661	2,945,208	85,319	596,144	35,964	517,980	69,321	124,109	5,549,422	4,416,788
Other provincial institutions		17,182	389,029	1,017,863	29,486	206,027	12,429	179,014	23,957	42,892	1,917,879	1,384,070
Municipal		5,368	121,533	317,981	9,212	64,363	3,883	55,924	7,484	13,399	599,147	178,299
Other municipal institutions		2,575	58,311	152,565	4,420	30,881	1,863	26,832	3,591	6,429	287,467	91,681
Corporate		298,186	12,628	285,922	748,093	21,671	151,423	9,135	17,608	31,524	1,707,759	1,169,481
	298,186	94,902	2,148,751	5,622,042	162,864	1,137,966	68,651	988,761	132,325	236,908	10,891,356	8,185,686
Common shares												
Canadian public companies		45,428	1,028,574	2,691,184	77,960	544,726	32,862	473,304	63,342	113,404	5,070,784	4,494,589
American public companies		28,335	641,571	1,678,620	48,628	339,772	20,498	295,222	39,509	70,736	3,162,891	3,076,358
Foreign public companies		27,689	626,932	1,640,319	47,518	332,019	20,030	288,486	38,608	69,122	3,090,723	2,580,982
	–	101,452	2,297,077	6,010,123	174,106	1,216,517	73,390	1,057,012	141,459	253,262	11,324,398	10,151,929
Other investments												
Equity funds		10,789	244,286	639,154	18,516	129,372	7,805	112,409	15,044	26,933	1,204,308	3,288,089
Bond funds												1,015,333
Limited partnership shares												52,718
	–	10,789	244,286	639,154	18,516	129,372	7,805	112,409	15,044	26,933	1,204,308	4,356,140
	3,372,723	226,215	5,121,954	13,401,196	388,217	2,712,555	163,643	2,356,895	315,422	564,715	28,623,535	26,707,921
General and administration fund	3,372,723	226,215									3,598,938	3,304,107
Restricted funds			5,121,954	4,589,231	210,166	1,545,555	48,743	491,796	70,486	35,715	12,113,646	10,600,437
Endowment fund				8,811,965	178,051	1,167,000	114,900	1,865,099	244,936	529,000	12,910,951	12,803,377
	3,372,723	226,215	5,121,954	13,401,196	388,217	2,712,555	163,643	2,356,895	315,422	564,715	28,623,535	26,707,921

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

12 - INVESTMENTS (Continued)

Shares

Allocation by industry segment

	2017		2016	
	\$	%	\$	%
Finances	2,554,443	22.56	2,353,254	23.18
Energy	1,566,161	13.83	1,286,777	12.68
Industries	1,563,138	13.80	1,247,427	12.29
Telecommunications	1,404,590	12.40	1,604,144	15.80
Consumer discretionary	1,061,068	9.37	971,013	9.56
Material	1,034,665	9.14	789,154	7.77
Health	787,511	6.96	656,336	6.47
Information technology	782,874	6.91	735,868	7.25
Consumer goods	285,521	2.52	377,082	3.71
Community service	177,959	1.57	119,519	1.18
Real estate	94,032	0.83		
Other	12,436	0.11	11,355	0.11
	11,324,398	100.00	10,151,929	100.00

Allocation by geographic sector

	2017		2016	
	\$	%	\$	%
Canada	5,070,786	44.78	4,494,590	44.27
United States	3,162,890	27.93	3,076,358	30.30
United Kingdom	346,524	3.06	378,453	3.73
France	659,010	5.82	598,491	5.90
Other	2,085,188	18.41	1,604,037	15.80
	11,324,398	100.00	10,151,929	100.00

13 - TANGIBLE CAPITAL ASSETS

	2017			2016
	Cost	Accumulated amortization	Net carrying amount	Net carrying amount
	\$	\$	\$	\$
Capital Asset Fund				
Land	2,968,676		2,968,676	2,968,676
School buildings	9,236,813	3,081,171	6,155,642	6,308,378
Monument-National building	18,976,883	9,265,586	9,711,297	10,032,508
Furniture and equipment	2,727,803	2,582,389	145,414	222,105
Automotive equipment	22,595	22,595		
Computer equipment	623,492	613,458	10,034	17,393
	34,556,262	15,565,199	18,991,063	19,549,060

As at July 31, 2017, trade payables and other operating liabilities include \$28,453 for the acquisition of tangible capital assets (none as at July 31, 2016).

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

14 - BANK LOAN

The bank loan, for an authorized amount of \$300,000 (\$300,000 in 2016), is unsecured, bears interest at prime rate plus 1.5% (prime rate plus 1.5% in 2016) (4.45%; 4.2% in 2016) and is negotiable in January 2018. The bank loan is unused as at July 31, 2017 and 2016.

15 - TRADE PAYABLES AND OTHER OPERATING LIABILITIES

	<u>2017</u>	<u>2016</u>
	\$	\$
General Fund		
Trade payables	171,941	122,837
Box-office payable	382,892	64,870
Salaries payable	69,439	71,386
Vacations payable	70,975	64,250
Benefits payable	73,648	66,924
Other	6,872	10,283
	<u>775,767</u>	<u>400,550</u>

Government remittances total \$49,288 as at July 31, 2017 (\$47,155 as at July 31, 2016).

16 - GOVERNMENT GRANTS RECEIVED IN ADVANCE

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

	<u>2017</u>	<u>2016</u>
	\$	\$
Balance, beginning of year	406,750	618,562
Amount recognized as revenue	(406,750)	(618,562)
Amount received relating to the following year		
Ministère de la Culture et des Communications du Québec	220,000	330,000
Ontario Ministry of Tourism, Culture and Sport	33,750	33,750
Ministère des Affaires municipales et de l'Occupation du territoire	25,000	
Ville de Montréal		25,000
Conseil des arts de Montréal		18,000
Balance, end of year	<u>278,750</u>	<u>406,750</u>

National Theatre School of Canada

Notes to Financial Statements

July 31, 2017

17 - CONTRIBUTIONS AND DEFERRED REVENUES

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

	<u>2017</u>	<u>2016</u>
	\$	\$
Deferred revenues		
Tuition fees		
Balance, beginning of year	13,020	24,440
Amount received during the year	16,150	13,020
Amount recognized as revenue	<u>(13,020)</u>	<u>(24,440)</u>
Balance, end of year	<u>16,150</u>	<u>13,020</u>
Deferred contributions		
Balance, beginning of year	874,809	729,959
Amount received during the year	1,096,134	980,295
Amount recognized as revenue	<u>(826,378)</u>	<u>(835,445)</u>
Balance, end of year	<u>1,144,565</u>	<u>874,809</u>
Total deferred revenues and contributions	<u>1,160,715</u>	<u>887,829</u>

18 - LONG-TERM DEBT

	<u>2017</u>	<u>2016</u>
	\$	\$
Capital Asset Fund		
Ministère de la Culture et des Communications du Québec		
"Aide aux immobilisations" program (a)	87,640	131,460
Ministère de la Culture et des Communications du Québec		
"Aide aux immobilisations" program (b)	<u>1,425,171</u>	<u>1,475,568</u>
	<u>1,512,811</u>	<u>1,607,028</u>
Current portion of long-term debt	<u>(96,329)</u>	<u>(94,216)</u>
	<u>1,416,482</u>	<u>1,512,812</u>

- (a) A grant from the Ministère de la Culture et des Communications du Québec was obtained during the year ended July 31, 2009 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 undertaking of payment of capital and interest of a term loan of an original amount of \$438,200. This loan, contracted by the Organization, is secured by a comfort letter signed by the Ministère de la Culture et des Communications du Québec, bears interest at a rate of 5.61% and is repayable in biannual instalments of \$21,910 from January 2015 to July 2019. As at July 31, 2017, the balance of this term loan and the grant by way of undertaking of payment totals \$87,640 (\$131,460 in 2016).

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18 - LONG-TERM DEBT (Continued)

- (b) 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 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, 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, 2017, the balance of this term loan and the grant by way of undertaking of payment totals \$1,425,171.

The instalments on long-term debt for the next five years are \$96,329 in 2018, \$98,531 in 2019, \$57,005 in 2020, \$59,396 in 2021 and \$61,886 in 2022. These instalments are covered by subsidies from the Ministère de la Culture et des Communications du Québec.

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19 - ENDOWMENT FUND

								2017
	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	7,533,848	178,051	867,000	114,500	1,815,099	244,936	529,000	11,282,434
Donations	58,047			400	50,000			108,447
Balance, end of year	<u>7,591,895</u>	<u>178,051</u>	<u>867,000</u>	<u>114,900</u>	<u>1,865,099</u>	<u>244,936</u>	<u>529,000</u>	<u>11,390,881</u>
Internally restricted								
Balance, beginning of year	1,239,843		300,000					1,539,843
Donations	4,300							4,300
Balance, end of year	<u>1,244,143</u>	<u>–</u>	<u>300,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,544,143</u>
Total	<u>8,836,038</u>	<u>178,051</u>	<u>1,167,000</u>	<u>114,900</u>	<u>1,865,099</u>	<u>244,936</u>	<u>529,000</u>	<u>12,935,024</u>
								2016
	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	6,051,141	178,051	867,000	114,200	1,551,099	244,936	529,000	9,535,427
Donations	1,482,707			300	264,000			1,747,007
Balance, end of year	<u>7,533,848</u>	<u>178,051</u>	<u>867,000</u>	<u>114,500</u>	<u>1,815,099</u>	<u>244,936</u>	<u>529,000</u>	<u>11,282,434</u>
Internally restricted								
Balance, beginning of year	1,235,943		300,000					1,535,943
Donations	3,900							3,900
Balance, end of year	<u>1,239,843</u>	<u>–</u>	<u>300,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,539,843</u>
Total	<u>8,773,691</u>	<u>178,051</u>	<u>1,167,000</u>	<u>114,500</u>	<u>1,815,099</u>	<u>244,936</u>	<u>529,000</u>	<u>12,822,277</u>

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20 - INTERNAL RESTRICTION

Pursuant to resolutions of the Board of Directors, an amount of \$1,627,858 of the balance of unrestricted funds in the General Fund was internally restricted. This amount is restricted to the repayment of the actuarial deficit of the defined benefit pension plan and risks.

21 - PENSION PLAN

The Organization measures its defined benefit obligation and the fair value of the plan assets on July 31 of each year for accounting purposes. The most recent actuarial valuation of the pension plan for funding purposes was done on January 1, 2016 and extrapolated for accounting purposes as at July 31, 2017.

The funded status of the pension plan is as follows:

	<u>2017</u>	<u>2016</u>
	\$	\$
Fair value of plan assets	9,533,000	9,319,000
Defined benefit obligations	9,872,000	10,325,000
Funded status – defined benefit liability	<u>(339,000)</u>	<u>(1,006,000)</u>

22 - FINANCIAL INSTRUMENTS

Financial risks

The Organization's main financial risk exposure is detailed as follows.

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. The Organization has determined that the financial assets with more credit risk exposure are government grants receivable, trade and other receivables, with the exception of sales taxes receivable, and mutual fund units since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization. Additionally, some mutual funds also indirectly expose the Organization to credit risk.

The credit risk regarding cash, money market securities and Treasury bills is considered to be negligible because they are held by a reputable financial institution with an investment grade external credit rating. The credit risk related to bond investments is also considered negligible.

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22 - FINANCIAL INSTRUMENTS (Continued)

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 disposal of investments, interest and dividends receivable, cash and amounts payable on 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 assets and liabilities denominated in foreign currencies are as follows:

	<u>2017</u>	<u>2016</u>
	\$	\$
U.S. dollar	3,869,313	4,073,791
Euro	1,499,773	1,240,891
Yen	519,983	404,659
Australian dollar	112,831	46,465
Pound sterling	195,456	211,181
Swiss franc	12,436	47,954
Danish krone	165,970	107,853
Norwegian krone	16,353	14,390
	<u>6,392,115</u>	<u>6,147,184</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.

Bond investments, money market securities, Treasury bills 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.

Additionally, some mutual funds also indirectly expose the Organization to interest rate risk;

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22 - FINANCIAL INSTRUMENTS (Continued)

– Other price risk:

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

Carrying amount of financial assets by category

The carrying amount of the Organization's financial assets that are measured at amortized cost totals \$2,419,576 (\$2,886,792 as at July 31, 2016), whereas the carrying amount of financial assets measured at fair value totals \$28,446,994 (\$25,941,908 as at July 31, 2016).

Guaranteed financial liabilities

As at July 31, 2017, the carrying amount of guaranteed financial liabilities is \$1,512,811.

23 - COMMITMENTS

The Organization entered into long-term lease agreements expiring until October 2022, which call for lease payments of \$196,866 for the rental of equipment and maintenance services and for the rental of a storage space. Minimum lease payments for the next five years are \$85,031 in 2018, \$51,947 in 2019, \$30,378 in 2020, \$23,296 in 2021 and \$4,972 in 2022.

24 - SUBSEQUENT EVENT

Subsequent to July 31, 2017, the Organization began a major renovation (Phase II) in the amount of \$3,500,000. The project is being financed by grants from the federal government and the provincial government of \$1,500,000 each. The balance will be financed by the Organization.

