



MANITOBA FILM & MUSIC

ANNUAL REPORT 2010/11

Manitoba band 'The Crooked Brothers'.



MANITOBA Film & Music

MANITOBA FILM & MUSIC

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On the set of *Cashing In*.



Flor Marcelino, Minister of Culture, Heritage and Tourism

LETTER OF TRANSMITTAL

July 31, 2011

Honourable Flor Marcelino
 Minister of Culture, Heritage and Tourism
 Room 118, Legislative Building
 450 Broadway
 Winnipeg, Manitoba R3C 0V8

Dear Minister Marcelino:

In accordance with Section 16 of the Manitoba Film and Sound Recording Development Corporation Act, I have the honour of presenting the Annual Report of the Manitoba Film and Sound Recording Development Corporation for the fiscal year ended March 31, 2011.

Respectfully submitted,

Alana Langelotz
 Chairperson

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MANITOBA FILM & MUSIC would like to thank **On Screen Manitoba**, **Telefilm Canada** and **Manitoba Music** for contributing data and photographs to this annual report. Thanks as well to Bryan Scott, Rachel Stone and all the film production companies and artists featured for your input.

THE CORPORATION

Manitoba Film and Sound Recording Development Corporation (MANITOBA FILM & MUSIC) is a statutory corporation of government proclaimed under the Manitoba Film and Sound Recording Development Corporation Act funded by the Province of Manitoba through the Department of Culture, Heritage and Tourism. The management of MANITOBA FILM & MUSIC reports directly to the Board of Directors appointed by the Lieutenant Governor in Council.

MANITOBA FILM & MUSIC exists so that our film and music industries flourish!

Board of Directors



Alana Langelotz



David Dandeneau



Lisa Meeches



Heather Bishop



Gerry Atwell



Gerard Rodrigue



Kim Todd



Diane Gray



Linda Allen



Ric Paquette



Joy Keeper

The activities of MANITOBA FILM & MUSIC are monitored by the Board of Directors:

Alana Langelotz (Chair October 20, 2010 – current ; Member until October 19, 2010)

David Dandeneau (Chair until October 20, 2010)

Lisa Meeches (Vice-Chair)

Heather Bishop

Gerry Atwell

Gerard Rodrigue

Kim Todd

Diane Gray (appointed October 20, 2010)

Linda Allen (appointed January 25, 2011)

Ric Paquette (Until April 11, 2010)

Joy Keeper (Until July 22, 2010)

Personnel

Carole Vivier, Chief Executive Officer / Film Commissioner

Kevin Gabriel, Manager, Finance & Operations

Griffin Sokal, Administrative Assistant

Ginny Collins, Communications & Marketing Director (September 20, 2010 – current)

Tannis Hogue, Communications & Marketing Representative (Until August 18, 2010)

Louise O'Brien-Moran, Manager, Film Programs & Location Services

Sebastien Nasse, Senior Analyst Film, Television and Tax Credits

Brian Clasper, Location Services Coordinator (Until June 24, 2010); Development & Tax Credit Analyst (June 25, 2010 - current)

Andrea Kaptein, Development Analyst & Film Programs Administrative Assistant (until June 25, 2010)

Dianne Domaratzki, Location Services Coordinator (January 17, 2011 – current)

Ian Russell, Location Services Coordinator (until February 18, 2011 – currently on Parental Leave)

Lief Johnson, Location Services Coordinator (August 3 – December 17, 2010)

Jason Smith, Manager, Music Programs

Shawna Coulthard, Music Programs Administrative Assistant

Bonnie Seidel, Music Programs Administrative Assistant (December 14, 2010 – current)



Public Interest Disclosure (Whistleblower Protection) Act

The Public Interest Disclosure (Whistleblower Protection) Act came into effect in April 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The Act builds on protections already in place under other statutes, as well as policies, practices and processes in the Manitoba public sector.

Wrongdoing under the Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or, knowingly directing or counseling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure under the Act, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required under the Act, and must be reported in the Corporation's annual report in accordance with Section 18 of the Act.

MANITOBA FILM & MUSIC did not receive any disclosures for the fiscal year.

2010/2011 MESSAGE FROM THE CHAIRPERSON & CHIEF EXECUTIVE OFFICER

On behalf of the Manitoba Film and Sound Recording Development Corporation (MANITOBA FILM & MUSIC) and the Board of Directors, we are pleased to present the annual report for the fiscal year ending March 31, 2011.

The events of the 2010/2011 fiscal year proved to us that Manitoba has become a force in the international film and music scene. While our award-winning musicians travelled the world to showcase their talent, the cameras were rolling here at home on four locally-shot television series and several major movie projects. The creative value of this growth is too great to measure, but this value also translates into real dollars for the local economy. The numbers show that investment in these industries is also an investment in employment, culture, intellectual property and the economy as a whole. In more ways than one, the film and music industries are good for Manitoba.

In our thriving film and television industry, locally-shot series and features received unprecedented national and international recognition. In November, the Manitoba-grown series *Less Than Kind* picked up Geminis for Best Comedy Program or Series, Best Writing in a Comedy Program or Series and Best Individual Performance in a Comedy Program or Series. Recently renewed for a second season, the locally-filmed series *Todd and the Book of Pure Evil* broke the record as having the highest rated Premiere of any series in the history of the Space Channel. These programs, as well as Manitoba's *Cashing In*, *Men with Brooms* and other television series and mini series, employed hundreds of Manitobans as artists, crew and craftspeople, while spending nearly \$19 million in the province. On the international scene, the locally-filmed feature *The Divide* received a critically-acclaimed Premiere at the SXSW festival in Austin, Texas and went on to break the record for the highest acquisition for a Premiere in the festival's history. Altogether, Manitoba's film and television industry spent over \$38.5 million in the province on labour and other related costs.

On the music side, this year saw Manitoba musicians reaching all corners of the globe through international tours, showcases and festivals. The local act *Imaginary Cities* performed at festivals and markets throughout Canada, the United States, France and Germany—adding to the exposure received through the world tour of their album *Temporary Resident*. Manitoba musicians were heavily represented at the Junos with nominations for *Ash Koley*, *Little Hawk*, *Eagle & Hawk*, *Del Barber*, *Ruth Moody* and *Chic Gamine*. MANITOBA FILM & MUSIC's contributions to the music industry totalled \$562,802 resulting in 58 music recording projects, 56 tours, 28 marketing initiatives and 7 music videos.

As always, MANITOBA FILM & MUSIC continued to build strong connections with Manitoba organizations, businesses and individuals who are connected to the arts sector. Our support of local initiatives helps leverage funds and resources that grow Manitoba's cultural industries. This year MANITOBA FILM & MUSIC entered a partnership agreement with **On Screen Manitoba** to support the local film industry through a joint-marketing initiative. Our participation will allow **On Screen Manitoba** to leverage four times the amount of our contribution to make this important project a reality. MANITOBA FILM & MUSIC's support of local events such as the



Alana Langelotz,
Chair



Carole Vivier,
CEO

Gimli Film Festival, the Winnipeg Folk Festival and Contact Ouest help to build on the success of our film and music industries and ensure that Manitoba artists are celebrated and represented. We are proud to have supported 25 film and music industry events this year.

MANITOBA FILM & MUSIC and its Board of Directors would like to take this opportunity to thank those who have played key roles in the success of these industries. Thank you to the Government of Manitoba for their ongoing support. Thank you to Minister Flor Marcelino, the Department of Culture, Heritage and Tourism, the Department of Finance and the Department of Competitiveness, Training and Trade who are all instrumental in the growth and development of Manitoba's cultural industries.

Thank you to our partnering organizations **On Screen Manitoba**, **Manitoba Music**, the **National Screen Institute**, **Film Training Manitoba**, the **National Film Board of Canada** and the **Winnipeg Film Group** for your hard work and dedication to film and music in Manitoba.

We would like to also thank the staff of MANITOBA FILM & MUSIC who give their time and passion to ensuring that our film and music industries flourish. A big thanks as well to past Board of Directors Chair David Dandeneau who provided amazing leadership until October of this year when his term ended.

Finally, we would like to thank all those in the province and around the world who support Manitoba talent. In buying a concert ticket, watching a locally-shot series, sponsoring an event or seeing a Manitoba film, you have contributed to the thriving arts scene that makes Manitoba a cultural hub in this country. With such a supportive environment in which to thrive, Manitoba's artists and industry professionals will continue to make an impact around the world.



Alana Langelotz
Chairperson



Carole Vivier
Chief Executive Officer/Film Commissioner



Left: Stephen Carroll of The Weakerthans and Carole Vivier at the Northern Spotlight outreach sessions.

Right: MFM's curling team The Rolling Stones (from left) Brian Clasper, Carole Vivier, Ginny Collins, Jason Smith, Shawna Coulthard.



MFM REACHES OUT

Northern Spotlight 2010

MANITOBA FILM & MUSIC visited the beautiful city of Flin Flon, Manitoba this year for the Northern Spotlight outreach sessions. The purpose of these sessions was to engage Northern Manitobans who are interested in getting involved with the film and music industry by informing them of MFM funding programs and other opportunities in the province.

Representatives from MFM and the **National Screen Institute**, along with *The Weakerthans* band member and manager Stephen Carroll, travelled to Flin Flon in November for a two-day outreach session. Over 70 artists and representatives from the region's cultural sector participated in an evening meet-and-greet event, a full-day panel and speaker session, and a screening of the documentary *We Are The Weakerthans*.

The outreach sessions in Flin Flon resulted in the formation of a Flin Flon Film Group which continues to meet regularly. MFM remains in contact with the **Flin Flon Arts Council** in coordinating film and music opportunities for the region.

Sponsors and partners for Northern Spotlight 2010 included Calm Air, The Reminder, CFAR 590 and the **Flin Flon Arts Council**.

The Manitoba Music Rocks Charity Curling Bonspiel

In January, MANITOBA FILM & MUSIC partnered with **Manitoba Music** in hosting a curling bonspiel in support of the Unison Benevolent Fund – a charity that helps artists in crisis. The bonspiel was a great success with over 90 enthusiastic curlers, a great silent auction, and a dinner attended by The Honourable Flor Marcelino, Minister of Culture, Heritage and Tourism, and The Honourable Peter Bjornson, Minister of Entrepreneurship, Training and Trade.

The bonspiel raised over \$2,000 for the benevolent fund and received excellent media coverage on CTV, Shaw TV, the Winnipeg Free Press and Breakfast Television. There is already interest in next year's event, which will be expanded and moved to a larger venue.

MANITOBA FILM & MUSIC PARTNERSHIPS

MANITOBA FILM & MUSIC partners on several local and international initiatives to help provide opportunities for Manitobans working in the film and music industries, and to leverage increased support for these events and programs.

MFM also supports related industry organizations to assist with development of business skills, corporate capacity and the talents of developing and established filmmakers and music recording professionals. Among the organizations that receive support are the **National Screen Institute**, the **Winnipeg Film Group**, as well as **On Screen Manitoba** and **Manitoba Music** through contributions to the Manitoba Music and Motion Pictures Development Project, known as the M3P Program.

Manitoba networking dinner at MIDEM in Cannes, France co-hosted with Manitoba Music.



On Screen Manitoba's ALL ACCESS TV forum.

Local events supported by MANITOBA FILM & MUSIC

- Gimli Film Festival
- Contact Ouest
- Winnipeg Film Group Spring Fundraiser
- WNDX 2010
- Manitoba Music Rocks Charity Curling Bonspiel
- Winnipeg Film Group's Gimme Some Truth Documentary Conference
- On Screen Manitoba's All Access TV Forum
- Winnipeg Aboriginal Film Festival
- Winnipeg Folk Festival
- Le Festival des vidéastes du Manitoba
- Jazzfest Winnipeg
- Manitoba Music Experience: Shakin' All Over 2010
- Aboriginal Peoples Choice Music Awards as part of Manito Ahbee

National and International events supported by MANITOBA FILM & MUSIC

- The Canadian Pavilion at Cannes International Film Festival
- American Film Market in Los Angeles (Canada Room)
- Prairie Scene in Ottawa
- Toronto International Film Festival Manitoba Networking Event
- MIPCOM Television Market (Canada Stand)
- The Gemini Awards
- The Genie Awards
- North By North East (NXNE) – Manitoba Music Networking Event
- South By South West (SXSW) – Manitoba Music Networking Event
- Berlin International Film Festival (Canada Stand)
- Strategic Partners 2010
- Western Canadian Music Awards: Breakout West

Leveraging Resources

This fiscal year, MANITOBA FILM & MUSIC contributed \$10,000 towards a joint industry public awareness and marketing campaign being carried out in partnership with **On Screen Manitoba** as an initiative of their ACCESS project, which is funded through Western Economic Diversification Canada and Manitoba Entrepreneurship, Training and Trade. MFM's contribution will leverage a projected budget of \$40,000 for the initiative, which will be implemented in 2011/2012.

FILM & TELEVISION IN MANITOBA

MANITOBA FILM & MUSIC exists to ensure Manitoba's film and television industries flourish! We do this by developing and promoting Manitoba companies, supporting the production and marketing of film and television projects, as well as promoting Manitoba as a film location to offshore production companies. Our objectives are to enhance Manitoba's audio-visual industries, through which increased employment, partnerships and services provided help stimulate the local economy.

MFM is a long-standing member of the **Association of Film Commissioners International** (AFCI). In addition to administering film programs and tax credit incentives, MFM is a full-service film commission that offers a broad range of location services including script breakdown, location scouting as well as government, business and industry liaison services. MFM staff attend film markets and trade shows to attract co-productions and off-shore productions that contribute millions to our local economy.

The diversity of Manitoba's locations, the strength of its crews, production companies and its generous financial incentives have been key factors in bringing produc-

tion to the province. Film and television productions are drawn to the architecture of Winnipeg's Exchange District and Manitoba's breathtaking landscapes with a diversity that includes rolling prairies, forested lake regions, pristine white sand beaches, arctic terrain and so much more. High profile productions such as *Capote*, *The Stone Angel*, *The Lookout*, *Shall We Dance*, *The Assassination of Jesse James by the Coward Robert Ford* and *Haunting in Connecticut* have taken advantage of the locations in Manitoba.

This year, MFM invested in 3 dramatic television series, 7 feature film projects and 3 projects through the Market Driven Television Production Financing Program, the Market Driven Feature Film Production Financing Program and the Emerging Talent Matching Funds Program. The investment of \$1,741,730 in these projects supported over \$49 million in production budgets.

Note: \$49 million represents the total value of projects that received Manitoba equity. This figure, combined with the \$29.5 million not supported through equity equals \$78.5 in total production activity during this fiscal.

"MFM has been the key factor in creating a sustainable film and television infrastructure in Manitoba and has successfully marketed and promoted our crews and locations around the world. They are recognized within the industry as the best provincial film commission in the country with quality support from development through production."

— Shawn Watson, Vice-President of Scripted Programming, Frantic Films.

FILM AND TELEVISION PRODUCTION HIGHLIGHTS

Passionflower

Synopsis: This beautiful first feature film from Winnipeg writer-director Shelagh Carter tells the story of a young girl helping her family come to terms with her mother's mental illness. Although dealing with a serious topic, the film is ultimately inspirational and hopeful, as it speaks to the victory of surviving; the power of creativity; a child's courage in bearing witness and seeking the truth from the adults around her; and the triumph of continuing to love in the face of obstacles.



Key Manitoba Locations: Winnipeg
Principal Photography: August 9 – August 29, 2010
Key Cast: Kassidy Brown, Kristen Harris, Darcy Fehr, Ethan Harapiak, Susan Kelso, Cindy Marie Small, Lyle Morris
Director: Shelagh Carter
Writer: Shelagh Carter
Producer: Polly Washburn (Positron Media, Inc.)
Co-producer: Shelagh Carter (Passionflower Films, Inc)

Beethoven's Christmas Adventure

Synopsis: When Santa hands down the year's Christmas assignments to his elves, Henry is disappointed to find himself working in the stable, not the toy workshop. Feeling unappreciated, he flees the North Pole with Santa's sleigh and magical bag of toys, only to crash land in a tree, stranding himself—and Santa's bag—in a suburban American neighborhood. When the bag ends up in the hands of an unscrupulous toy store owner, it looks like Christmas won't be coming this year. That is, until the plucky and adorable Beethoven and his human pal Mason join forces with Henry to save the holiday.



Key Manitoba Locations: Winnipeg
Principal Photography: February 14 – March 28, 2011
Key Cast: Kyle Massey, Munro Chambers, Robert Picardo, Curtis Armstrong, Kim Rhodes, John O'Hurley
Director: John Putch
Writers: Altieri Brothers
Producers: Jeff Freilich, Co-producer – Ellen Rutter, Production Services – Original Pictures

Todd and the Book of Pure Evil Season 1

Synopsis: Imagine, if you will, a book of awesome power. A book that will make your deepest, darkest dreams come true...but at a terrifying price. Imagine a book of pure and utter evil. A book that threatens the very survival of a typical North American suburb called Crowley Heights and ultimately...the world. Thankfully, one teenager stands between this Book Of Pure Evil and the end of the world as we know it. His name? Todd. And he will save all of us. Whether he wants to or not.



Key Manitoba Locations: Winnipeg
Principal Photography: March 1 – May 10, 2010
Key Cast: Alex House, Maggie Castle, Bill Turnbull, Melanie Leishman, Chris Leavins, Jason Mewes
Directors: Craig David Wallace, James Dunnison, David Winning, James Genn
Writers: Craig David Wallace, Charles Picco, Garry Campbell
Producers: Executive Producers - Jamie Brown (Frantic Films), Anthony Leo (Aircraft Pictures), Andrew Rosen (Aircraft Pictures), Craig David Wallace (Corvid Pictures); Producers - Shawn Watson (Frantic Films), Anthony Leo (Aircraft Pictures), Andrew Rosen (Aircraft Pictures)

Less Than Kind Season 3

Synopsis: Season Three of *Less Than Kind* begins with a death in the family. As the Blechers reel from the news, we follow them through the disconnected strangeness of a sudden funeral, and the descending-into-chaos of Shiva, the seven-day period of mourning. As the family returns to 'normal' life, Season Three finds the Blechers forging new roles for themselves and establishing a new family dynamic out of the fracturing events they face. At high school, Sheldon's dark side unwittingly shoves him into the spotlight, Miriam loses her braces and her social invisibility, Anne tries to find a role for herself other than "the widow," Josh gets "deep" about his art and Aunt Clara's romantic questing finally dead-ends.



Key Manitoba Locations: Winnipeg
Principal Photography: November 12, 2010 – February 5, 2011
Key Cast: Jesse Camacho, Wendel Meldrum, Benjamin Arthur, Nancy Sorel, Brooke Palsson, Tyler Johnston, Lisa Anne Durupt
Directors: Kelly Makin, James Dunnison, Bruce MacDonald, Gary Yates, Mark McKinney, Doug Mitchell
Writers: Mark McKinney, Marvin Kaye, Chris Sheasgreen, Karen Hill, Brian Hartt, Jenn Engels, Dennis McGrath, Garry Campbell, Kim Coghill
Producers: Phyllis Laing (Buffalo Gal Pictures), Ira Levy, (Breakthrough Entertainment), Peter Williamson (Breakthrough Entertainment), Marvin Kaye, Chris Sheasgreen, Mark McKinney

Goon

Synopsis: Not content with his job as a bouncer at a local Beantown bar and a bit of an embarrassment to his accomplished family, Doug Glatt dreams of the kind of success enjoyed by minor league hockey goon Ross Rhea. When a chance encounter with an on-ice thug leads to a bloody fist fight that Doug easily wins, the coach of the Halifax Highlanders sees potential in this mammoth sized man who is only hampered by his lack of any hockey playing ability and his brother's old figure skates. Standing up to the taunts of the other players, Doug manages to join the team and will soon have the opportunity to face off against Ross "The Boss" Rhea and perhaps finally land a girlfriend. Now - all he needs is to learn how to skate.



Key Manitoba Locations: Winnipeg, Portage la Prairie
Principal Photography: October 18 - December 5, 2010
Key Cast: Seann William Scott, Jay Baruchel, Alison Pill, Marc-Andre Grondin, Eugene Levy, Liev Schreiber
Director: Michael Dowse
Writers: Jay Baruchel, Evan Goldberg
Producers: Executive Producers - Mark Slone, Jesse Shapira, Evan Goldberg; Producers - Don Carmody, (Don Carmody Productions), David Gross (General Swim Productions), Jay Baruchel, Ian Dimerman (Inferno Pictures), Andre Rouleau (Caramel Films)

Wrong Turn 4

Synopsis: When a snowmobiling trip goes wrong, a group of college kids seek refuge in an abandoned mental hospital. Little do they know they have inhabited the home of our lovable mutant hillbilly cannibals.



Key Manitoba Locations: Brandon, Birds Hill
Principal Photography: February 15 – March 11, 2011
Key Cast: Jenny Pudevick, Tenika Davis, Kaitlyn Wong, Terra Vnesa, Ali Tataryn, Samantha Kendrick, Victor Sinck Jr., Dean Armstrong, Sean Skene
Director: Declan O'Brien
Writer: Declan O'Brien
Producer: Kim Todd (Original Pictures)



Todd and Book of Pure Evil

“MFM has shown more faith and support for me in my professional career than any other person or group I can think of, except maybe my mother. Maybe.” – Shawn Linden, Winnipeg Filmmaker of *Rose by Name* and *Nobody*.



Less Than Kind



The Divide



Todd and the Book of Pure Evil

GROWING THE INDUSTRY

Achievements in Film and Television

Manitoba has become a national and international force in the film and television industry. Despite the rise of the Canadian dollar and a global decrease in production due to the world-wide recession, Manitoba continues to create critically acclaimed projects and attract significant offshore productions. This relative stability was achieved this year due in part to the production of numerous locally-shot series in the province – which employ hundreds of Manitobans as talent and crew. Manitoba-based productions were nominated for an astounding 22 Gemini awards and 6 Genie awards this year, while other projects played to audiences around the world at festivals and screenings. Here are some of this year’s highlights.

Manitoba’s own *Less Than Kind* walked away with three trophies from this year’s Gemini awards, including Best Comedy Program or Series, Best Writing in a Comedy Program or Series and Best Individual Performance in a Comedy Program or Series. In early 2010 the show’s second season was picked up by HBO Canada, a major milestone for the critically acclaimed series. *Less Than Kind* was co-created by Manitoban Marvin Kaye and writing partner Chris Sheasgreen and produced by Manitoba’s Phyllis Laing (Buffalo Gal Pictures) and Breakthrough Films and Television.

The locally-shot feature film *The Divide*, co-produced by Manitoba’s Juliette Hagopian (Juliette Inc.) and Nate Rollo (along with Ross Dinerstein and Darryn Welsh), was chosen to screen at the prestigious SXSW festival in March 2011. After receiving great critical reviews, the film was sold to a variety of distributors resulting in the largest acquisition for a narrative feature film in the history of the festival’s premieres.

Todd and the Book of Pure Evil, one of 4 locally-shot dramatic series, was renewed for a second season. After receiving the highest Premiere in the history of Space Channel, the series quickly adopted an international cult following and a significant social network presence. The science fiction comedy was developed by Frantic Films and is co-produced by Manitoban Shawn Watson (Frantic Films).

FESTIVALS, MARKETS AND MISSIONS

MANITOBA FILM & MUSIC participates in festivals, film markets and targeted meetings to market Manitoba as a filming location, to promote co-production opportunities with Manitoba production companies and to market Manitoba projects and talent. On these excursions, MFM staff, meet with producers, financiers, distributors and studios; participate in trade shows, and create networking opportunities for Manitoba producers and filmmakers.

MANITOBA FILM & MUSIC attended:

Cannes International Film Festival (May 2010)

Toronto International Film Festival (September 2010)

Strategic Partners (September 2010)

Independent Film Week (September 2010)

American Film Market (November 2010)

Berlin International Film Festival (February 2011)

SPOTLIGHT ON:

Toronto International Film Festival

Manitoba had a presence at the Toronto International Film Festival this year with two locally made documentaries and two short films. *How to Start Your Own Country*, a documentary about micro-states, was directed and produced by Jody Shapiro (Everyday Pictures) and co-produced by Phyllis Laing (Buffalo Gal Pictures) and Denis Seguin. The documentary *Warchild*, directed by Caroline Monnet and produced by Kevin Lee Burton, follows the story of students from Northern Manitoba who come to live in a boarding school in Winnipeg for Aboriginal youth. The short films *Negativipeg* (directed by Matthew Rankin and produced by Walter Forsberg) and *Open Window* (directed and produced by Cam Woykin and co-produced by Boaz Beerli) screened during the Short Cuts Canada portion of the festival. To celebrate these screenings, MANITOBA FILM & MUSIC, along with **On Screen Manitoba** hosted the Manitoba Networking Event at the Drake Hotel in Toronto on September 12, 2010. This event highlights Manitoba's talented filmmakers and provides networking opportunities with hundreds of international industry VIPs.

Berlin International Film Festival

Manitoba's own Guy Maddin served on the jury at this year's Berlin International Film Festival, alongside friend and frequent collaborator Isabella Rossellini. Maddin's video installations were also displayed at the Canadian Embassy during the festival. MANITOBA FILM & MUSIC CEO Carole Vivier, along with Telefilm Canada Executive Director Carolle Brabant attended the opening reception for the gallery display at the embassy.

Telefilm Canada Executive Director Carolle Brabant with Winnipeg filmmaker Guy Maddin at the Berlin International Film Festival.



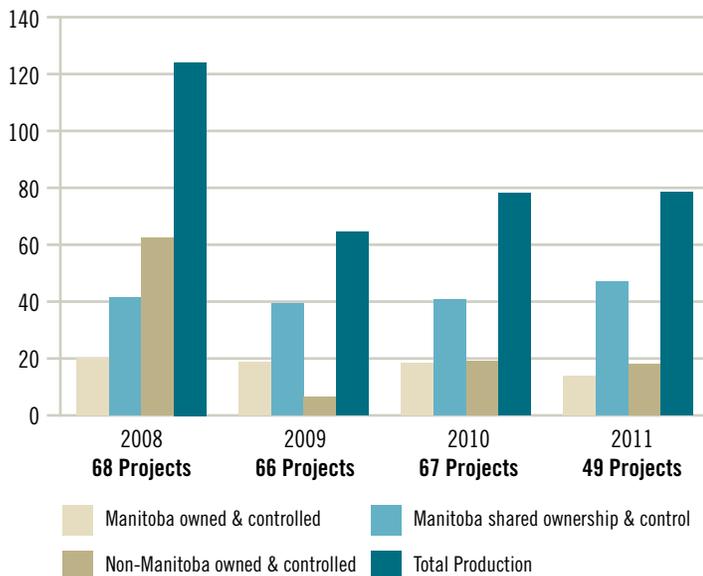
Top Right: (from left) Carole Vivier, Sebastien Nasse, Megan Deaust, Louise O'Brien-Moran, Stephanie Meilleur, Gemma Manangan and Griffin Sokal at TIFF.

Bottom Right: (from left) David Carter, Paul Bronfman, Carole Vivier, Phyllis Laing and Louise O'Brien-Moran at TIFF.



FILM & TELEVISION PRODUCTION ACTIVITY

The total production volume in fiscal 2010/2011 was \$78.5 million.



Note: These figures represent film and television production activity reported as of fiscal year ending March 31, 2011. The final amounts reported from previous years may vary due to changes provided upon final reporting and these changes are reflected in this chart.

Tax Credit

Along with MANITOBA FILM & MUSIC's equity financing, the Manitoba Film and Video Production Tax Credit is essential to the competitiveness of the province's film and television industry. It was established as a means to provide an incentive to the private film and television production industry to create economic development and employment growth in the province.

In fiscal 2010/2011 the film tax credit provided a **rebate of up to 65%** on eligible Manitoba labour. The breakdown included a **45% Base Credit**, and where eligible, a **10% Frequent Filming Bonus**, plus **5% Rural Bonus** and **5% Manitoba Producer Bonus**. Producers have the option to use this incentive, or opt for a **30% tax credit on all eligible local expenditures**, including labour.

A total of 156 applications were received for 116 projects during the fiscal year. This represents production activity for projects which took place in the current and prior years, in excess of \$150 million.

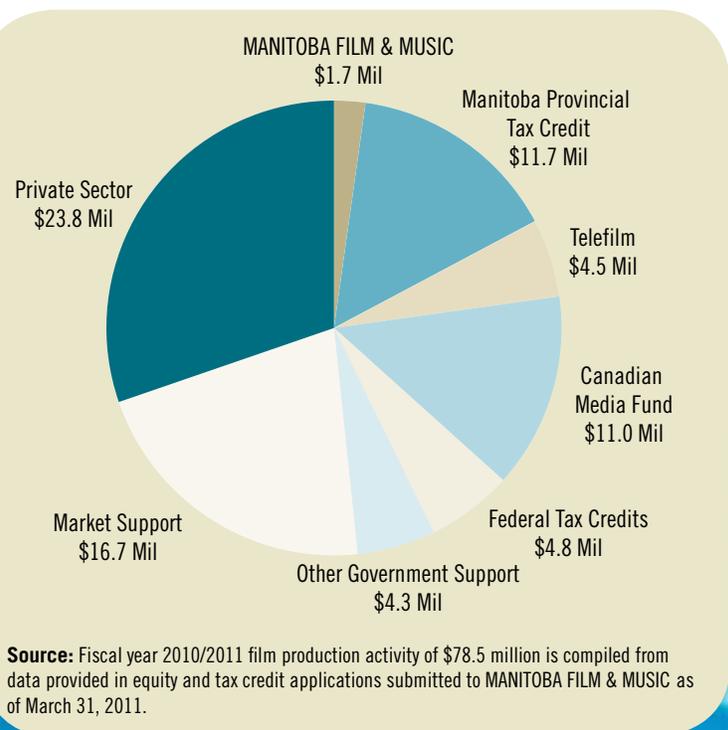
	# of Projects	Projected Prod Budgets (in Millions)
Feature Films	24	\$53.3
TV Series/Mini-Series	44	\$85.5
One-offs	40	\$8.3
Other	8	\$3.4
Totals	116	\$150.5

Note: The above figures do not reflect productions filmed only in the 2010/2011 fiscal year.

Film – Other Dollars Leveraged

Financing of independent productions requires financial investment from several sources. MANITOBA FILM & MUSIC's equity commitment to a project is often the key to triggering other investors to participate. Outside of MFM and the Manitoba Provincial Tax Credit, other sources for production financing investments come from **Telefilm Canada** and the **Canada Media Fund**; Market Support (Broadcaster licenses, Distribution Advances); Federal and other Government Support and Tax Credits, and Private Sector (i.e. production company investment, deferrals, private investments, private funds, private investors, and lenders for loans and gap financing).

As the following chart exhibits, with MFM's equity financing and estimated tax credit support totalling \$13.4 million (17.1%), \$78.5 million in indigenous, co-production and foreign production activity occurred in fiscal 2011. This amount reflects \$65.1 million (82.9%) of investment from other sources. This is an indication that Manitoba's modest investment attracts millions of dollars of additional revenues into Manitoba's economy.



Source: Fiscal year 2010/2011 film production activity of \$78.5 million is compiled from data provided in equity and tax credit applications submitted to MANITOBA FILM & MUSIC as of March 31, 2011.

How to Start Your Own Country



FILM & TELEVISION PROJECTS SUPPORTED

Market Driven Television Production Financing Program and Market Driven Feature Film Production Financing Program

The Market Driven Television and Feature Film Production Financing Programs contribute to the production financing of fully developed feature film or television projects through non-interest equity investments. The projects are reviewed based on set criteria including economic impact on Manitoba and are awarded bonuses for Community Development, including Aboriginal, Métis and Francophone production companies, working with key creative positions, such as Manitoba writers and directors, and lastly for shooting in the winter months.

During fiscal year 2011, 13 new applications were approved for a total investment of \$1,725,730.

Applicant	Project
6021484 Manitoba Ltd.	La ruée vers l'or
ATM Pictures (Manitoba) Inc.	ATM
Beat the Drum Inc.	We Were Children
Cashing In Season III Inc.	Cashing In—Season III
Cinema Atelier Tovar Ltd.	Keyhole
DCP (Goon) Productions Inc.	Goon
Harem Productions Inc.	Hidden World Of The Harem
julijette Inc.	Single Shot
Kind 3 Film Productions (Manitoba) Inc.	Less Than Kind—Season III
MWB Manitoba Productions Inc.	Men with Brooms
Passionflower Films Inc.	Passionflower
RBNMB Productions Inc.	Rose By Name
Skeptic Films Inc.	Skeptics

Market Driven Feature Film Development Financing Program and Market Driven Television Development Financing Program

Through these programs, eligible applicants may receive financial assistance for the development of viable motion picture concepts into screenplays for television and theatrical release. Financing under both of these programs takes the form of a recoupable loan and is committed according to phases. Should the project qualify for production financing, the development loan could be converted into an equity investment.

In fiscal year 2011, 27 applications were approved for a total investment of \$251,722.

Applicant	Project
40 Below Films Inc.	Run Run Fast As You Can
Bedbugs Films Inc.	The Masturbators
Buffalo Gal Pictures Development Inc.	Kush Kush in the Bush: Bollywood Comes to the Tariler Park
Buffalo Gal Pictures Development Inc.	Less Than Kind—Season IV
Buffalo Gal Pictures Development Inc.	Loving Lena
Buffalo Gal Pictures Development Inc.	The Stone Diaries
Buffalo Gal Pictures Inc.	Neville Ponderosa
Chaotik Kreative Inc	The Corruption of Divine Providence
Eagle Vision Inc.	Lovesick
Eagle Vision Inc.	Strange Love
Eagle Vision Inc.	The Dwelling
Farpoint Films Inc.	An Ordinary Decent Criminal
Farpoint Films Inc.	Charming Grace
Frantic Films Live Action Development Inc.	Hunter/ Hunter
Frantic Films Live Action Development Inc.	Mortal Coil
Frantic Films Live Action Development Inc.	The Day Santa Didn't Come
High Definition Pictures Inc.	Killing the Shamen
julijette Inc.	Single Shot
Opus 204 VFX Inc.	Greatest Naval Battles
OP Development Inc.	Innecity Girl Like Me
OP Development Inc.	Trapper Johnson
Original Pictures Development Inc.	Eco Café
Original Pictures Inc.	Rumble at the Opry
Story Ark Productions Inc.	Storytellers/Story Arc
Sunburst Productions Ltd.	The Squirts
Zellco Productions Inc.	Arcade Summer



Grant Program For Emerging Talent and Micro-Budget Production

This program is designed to support two streams of micro-budget productions:

- 1) Entry-level filmmakers who have received production funding awards through a competitive, juried process from a recognized industry organization (ex. Telefilm, NSI, Manitoba Arts Council). These projects are not normally destined for theatrical distribution or primetime television exhibition; and
- 2) Producers of factual or scripted programming for projects with micro-budgets that do not exceed \$100,000 and who have received a cash license or a distribution advance from an industry recognized third-party distributor.

During fiscal year 2011, 2 applications were approved for a total investment of \$16,000.

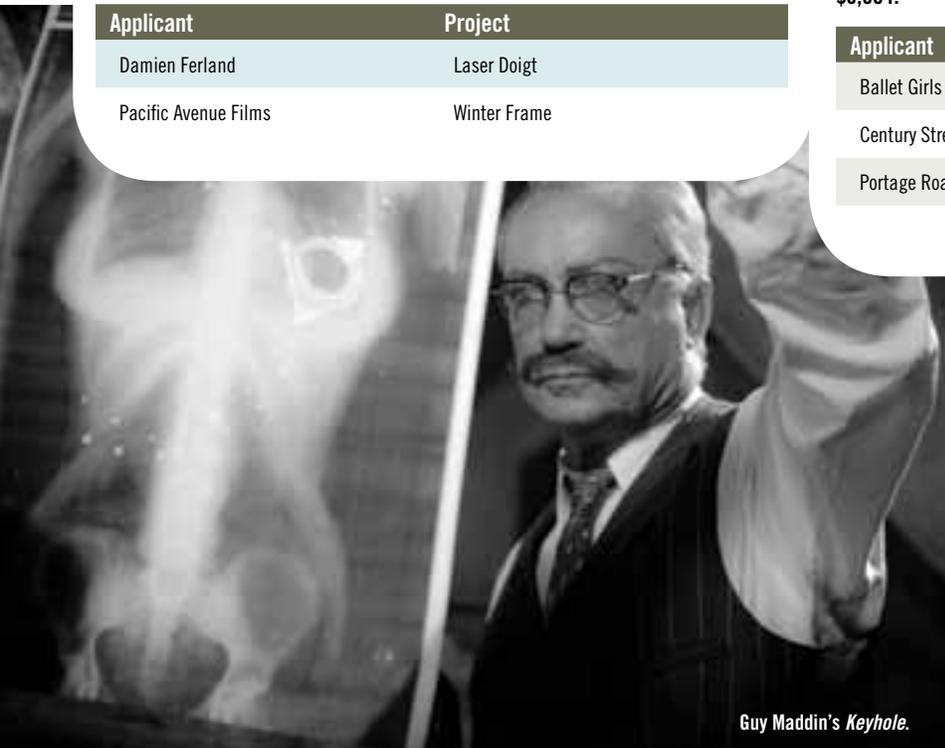
Applicant	Project
Damien Ferland	Laser Doigt
Pacific Avenue Films	Winter Frame

Feature Film Marketing

This program assists applicants with the promotion and marketing of feature film projects at time of theatrical release and at festivals and markets to either enhance the promotion and marketing of the release theatrically and/or to attract the attention of distributors/sales agents and increase the commercial interest in the project. It is not the intention of the program to duplicate support in areas already covered under **On Screen Manitoba's** Access to Markets, Access to Festivals, and Professional Marketing Fund, and as such does not apply to travel, accommodations, or per diems, and/or promotional or marketing activities covered under the **Winnipeg Film Group's** Marketing Fund. It is also intended to compliment, not replace, resources, financial and otherwise, committed by the distributors of the film.

In fiscal year 2011, 3 applications were approved for a total investment of \$8,664.

Applicant	Project
Ballet Girls Inc.	TutuMuch
Century Street Distribution	Black Field
Portage Road Films Inc.	The Divide

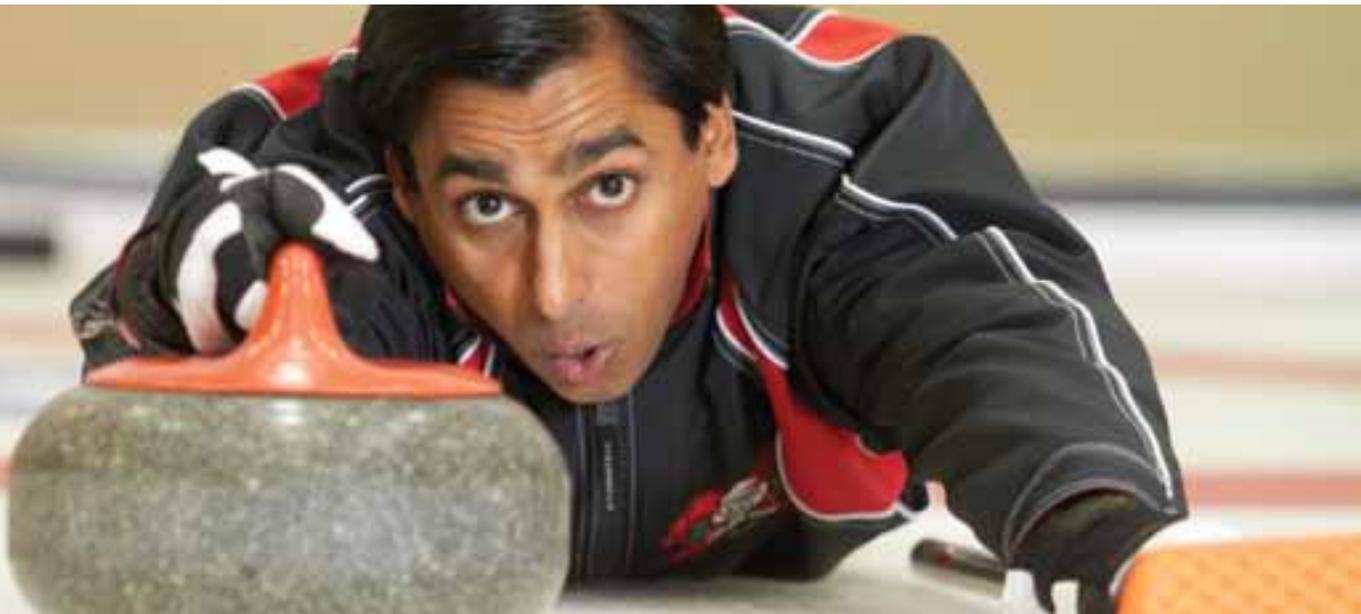


Guy Maddin's *Keyhole*.



The Year Dolly Parton Was My Mom

Men With Brooms



MUSIC IN MANITOBA



Left: Boats

Right: Flying Fox and the Hunter Gatherers

MANITOBA FILM & MUSIC exists to ensure Manitoba's music scene flourishes! We do this by offering a series of music funding programs to help enhance the province's impressive music scene. MFM also attends and supports a variety of music festivals, conferences and showcases to effectively market Manitoba artists and create networking opportunities.

This year, MFM provided \$562,802 in funding toward 149 music projects- making our investment the key element of support to Manitoba's emerging and established musicians. Projects are funded through the Music Production Fund (Levels 1, 2 and 3), the Recording Artist Touring Support Program, the Record Marketing Support Program, the Music Video Fund and the Out of Province Music Recording Program.

Funding to artists is awarded through a juried process. The evaluation and adjudication of applications by industry professionals and colleagues remains a central part of MFM's guidelines with respect to the Music Recording Programs.

Jurors for Music Recording Programs are drawn from all sectors of the provincial music industry and include record label employees, engineers, musicians, songwriters, agents, talent buyers, lawyers, radio broadcasters/programmers and publicists. Music recording proposals must be unanimously recommended for funding by a minimum of two juries. MFM sincerely thanks all of the jurors who so generously give their time.

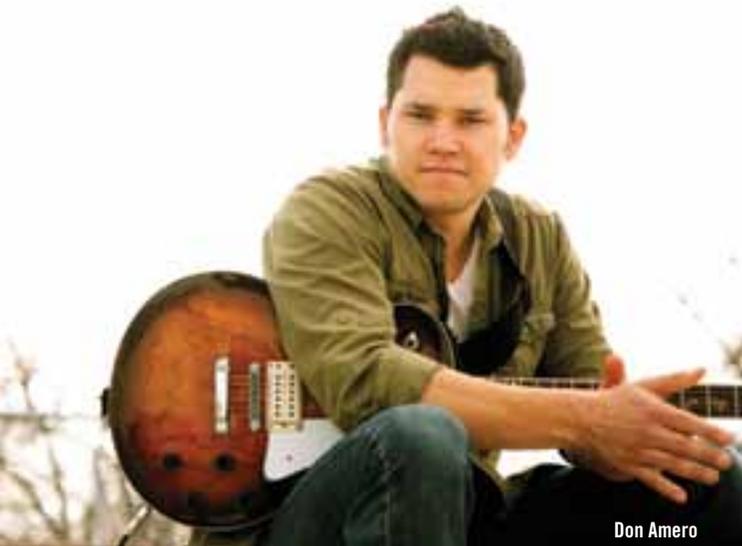
MFM is also helping to foster Aboriginal talent in Manitoba by supporting **Manitoba Music's** Aboriginal Music Program (AMP). This program helps Aboriginal people in the province continue to develop their skills and understanding of the music industry along with their ability to succeed in it. The program is a first for Canada's music industry and has been in existence since April 1, 2004.

With support from MFM, Manitoba Music's Aboriginal Music Program has been able to produce three showcases, run three Aboriginal songwriter residencies, deliver nine workshops, and distribute Volume One of the Manitoba Aboriginal Artists Guidebook to Aboriginal talent buyers across the country this year. The program is helping Aboriginal people build careers in the music industry and gain national and international recognition.

— Alan Greyeyes, Manitoba Music.

MUSIC INDUSTRY HIGHLIGHTS

Manitoba's musicians continue to make a huge impact around the globe. With over 130 national and international award nominations, local artists have proven once again that they compete for the attention of international audiences. Here are some of the highlights over the past year.



Don Amero

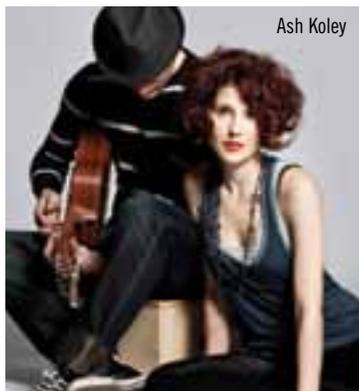
Artists Nominated for Awards

Ab-Originals	Eagle & Hawk	Quinzy
Al Desjarlais	Filthy Animals	Ruth Moody
Amanda Falk	Fresh I.E.	Segweh
Ash Koley	Geneviève Toupin	Sid Robinovitch
Ashok	Grand Analog	Skelpa Squad
Billy Joe Green	Jerry Sereda	The Gaudry Boys
Brad Moggie	JJ Lavallee	The Lytics
Casimiro Nhussi	Kimberley Dawn	The Wailin' Jennys
Chic Gamine	Little Hawk	The Weakerthans
Comeback Kid	Lost Priority	Tom Racine
Daniel Koulack and Karrnel	LuLu et le Matou	Wab Kinew
Darrellyne Bickel	Madame Diva	Winnipeg's Most
Del Barber	Magnum K.I.	Woody Holler and His
Desiree Dorion	Maiko Watson	Orchestra
Doc Walker	Nathan Rogers	Young Kidd
Don Amero	Philip Flett	Yoza

"MFM actively supports 100 NONS' initiatives as well as professional francophone artists in the music industry. This support has been key in the success of our Franco-Manitoban artists" – Aimé Boisjoli, 100 Nons.

Music Meets Television

Manitoba's musicians found some amazing opportunities on the silver screen this year by having their music featured in international television programs. *Ash Koley's* "Don't Let Your Feet Touch Ground" was featured on the medical drama *Grey's Anatomy*, while the locally shot series *Less Than Kind* has featured music from *The Weakerthans*, *The Wailin' Jennys* and *Christine Fellows*. Winnipegger *Jaylene Johnson's* music was heard on *Degrassi*, *Pretty Little Liars* and *Being Erica*, while *JP Hoe* was asked to write songs for MTV programs such as *The Real World New Orleans*.



Ash Koley



Jaylene Johnson

SPOTLIGHT ON:

Imaginary Cities

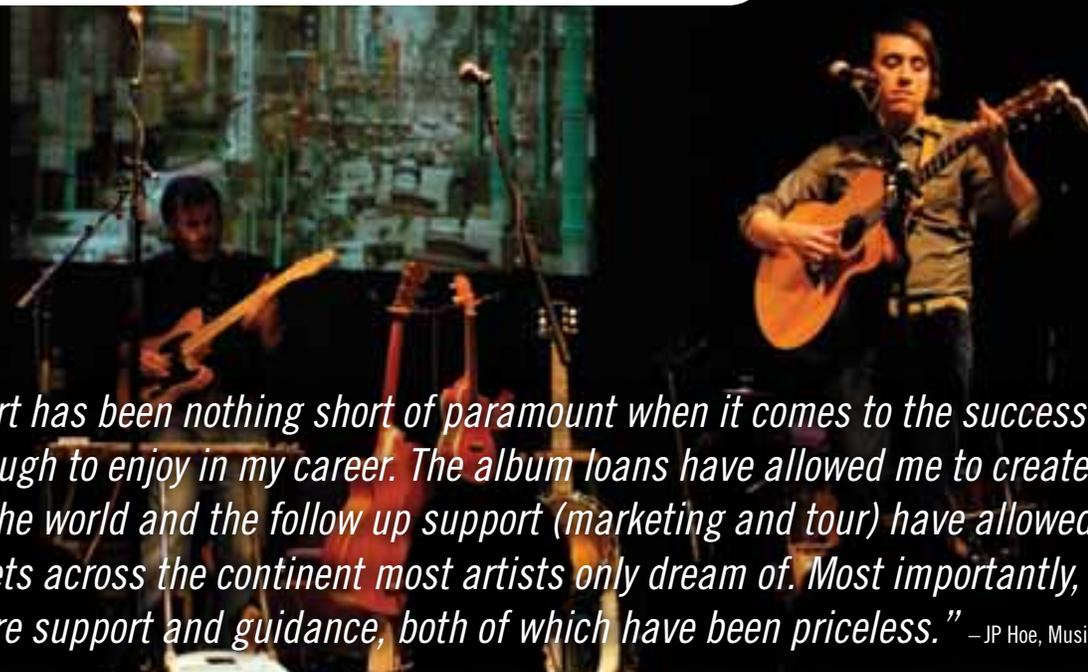
MANITOBA FILM & MUSIC is a proud supporter of one of Manitoba's newest bands *Imaginary Cities*. After being on the scene for only a short time, the band has already played showcases around the world, and toured as the opening act for *The Pixies*. *Imaginary Cities*, featuring local musicians Rusty Matyas and Marti Sarbit, hit #1 on Canada's campus radio chart before their album was even released – a first in the history of the chart. The band played this year at Canadian Music Week, London Showcase, Manitoba Music Showcase, MIDEM (France), NXNE, Pop Montreal and SXSW (Texas).



MUSIC SHOWCASES, FESTIVALS AND CONFERENCES

Each year, Manitoba's musicians showcase their work at festivals and conferences around the world in order to expand their audience base and obtain international exposure. Major showcases this year included; Aboriginal Music Week, BreakOut West (Western Canadian Music Awards), Canadian Music Week, Country Music Week, Juno Fest, MIDEM, NXNE, SXSW and the Ontario Council of Folk Festivals. Here are some of the highlights:

JP Hoe in concert

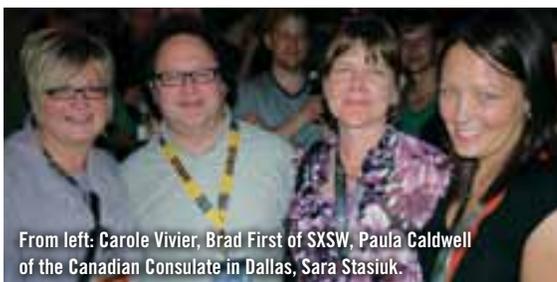


"MFM's support has been nothing short of paramount when it comes to the success I've been fortunate enough to enjoy in my career. The album loans have allowed me to create content sold around the world and the follow up support (marketing and tour) have allowed me to access markets across the continent most artists only dream of. Most importantly, they have offered sincere support and guidance, both of which have been priceless." – JP Hoe, Musician.

NXNE – June 2010

Manitoba had a huge presence this year at the annual North by North East (NXNE) festival in Toronto – a film and music showcase of artists from across Canada and around the world. MANITOBA FILM & MUSIC attended the festival to support local artists and provide essential networking opportunities. Along with **Manitoba Music**, MFM helped to coordinate the annual Manitoba Networking Event at the Drake Hotel. Manitoba acts selected to showcase at the festival included; *Abstract Artform*, *Boats*, *Grand Analog*, *High Five Drive*, *Ian La Rue & The Condor*, *Imaginary Cities*, *James Struthers*, *JD Edwards*, *Not Animals*, *Oh My Darling*, *Quinzy*, *Rebel Yell*, *The Details* and *The Paperbacks*.

From left: Jo Snyder, Tannis Hogue.



From left: Carole Vivier, Brad First of SXSW, Paula Caldwell of the Canadian Consulate in Dallas, Sara Stasiuk.

SXSW - March 2011

Manitoba musicians had an extraordinary showing at South by South West (SXSW), the prestigious film and music festival. Local acts including *Imaginary Cities*, *The Liptonians*, *Royal Canoe*, *The Details*, *Hope Atlantic*, *The Lytics*, *Les Jupes*, *Boats*, *KEN Mode* and *Domenica* were selected to showcase at the festival, which features artists from all over the world. Along with **Manitoba Music**, MFM also hosted a networking event to help musicians and industry professionals develop crucial business relationships.

MIDEM – January 2011

MANITOBA FILM & MUSIC, along with **Manitoba Music** and local companies and artists, represented Manitoba's music industry in Cannes, France at MIDEM, the world's largest music business conference. Supporting the efforts of Manitoba's music companies to grow their business beyond our borders, MFM and **Manitoba Music** hosted the annual Manitoba Networking Dinner at La Pizza restaurant and the Happy Hour at the Canada Stand, which was extremely successful and well attended. As part of a rare showcasing opportunity, Manitoba's *Imaginary Cities* was invited to perform at the conference. They were very well received during their performances at Morrisson's and the Palais des Festivals et des Congres.

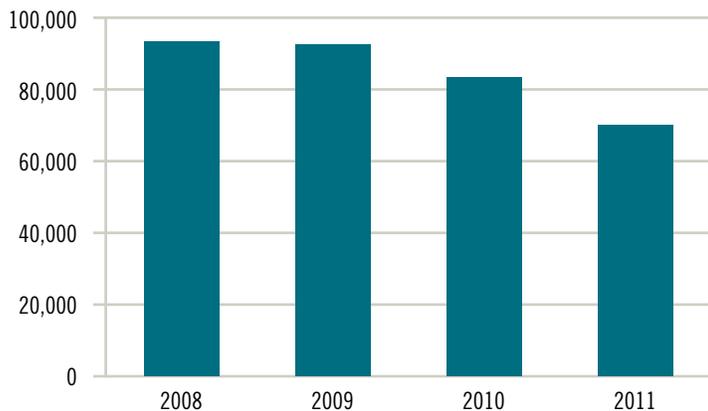


The Magnificent 7's

MUSIC PRODUCTION ACTIVITY

All figures represent music production activity reported as of fiscal year ending March 31, 2011.

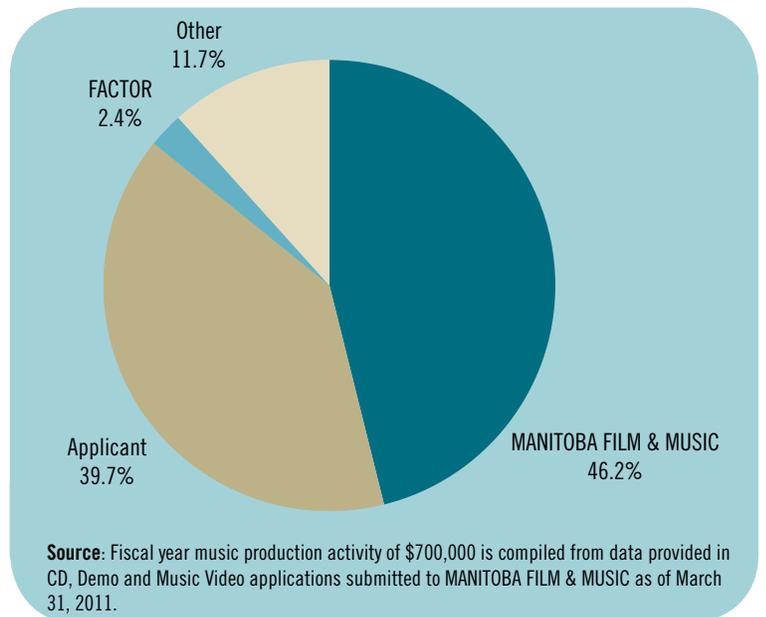
MANITOBA FILM & MUSIC provided funding toward music production projects with total estimated budgets of over \$700,000.



Note: Activity levels are based on music production activity as of fiscal year ending March 31, 2011. The final amounts reported from previous years may vary due to changes provided upon final reporting and these changes are reflected in this chart.

Other Dollars Leveraged – Music

Available funding from other sources in the music recording industry is limited (FACTOR, Video FACT, Canada Council) and therefore, very competitive. MANITOBA FILM & MUSIC's investment is the key element of support to Manitoba's emerging and established musicians. With more and more Manitoba acts making a name for themselves on an international level, it is important that the funding support from MFM remain relevant in the face of increased marketing and touring budgets.



Source: Fiscal year music production activity of \$700,000 is compiled from data provided in CD, Demo and Music Video applications submitted to MANITOBA FILM & MUSIC as of March 31, 2011.

FUNDING OF MANITOBA MUSIC RECORDING PROJECTS

MANITOBA FILM & MUSIC provided \$185,922 to 58 music recording projects during the fiscal year.

Music Recording Production Level 1

Project	Recipient
Billy Simard	Ki-Keek Music Publishing
Catskill	Catskill Music Inc.
Dana Kowalsky	Lemon Fresh Sound & Music
Dawson Blaine	Dawson Blaine Music
Desiree Dorion	cbg Artist Development
Echonawmik	cbg Artist Development
FLO	cbg Artist Development
French Press	French Press
Goldenboy	Tele Music
Influence	cbg Artist Development
Ismaila Alfa	Ismaila Alfa
Jade Turner	cbg Artist Development
Janelle Nadeau	cbg Artist Development
Jerry Sereda	Unison Studios and Recording Inc.
Jimmy Thow	cbg Artist Development
Kid P	cbg Artist Development
Les Jupes	Head in the sand Productions
Lois Gillespie	LC Gillespie Music
Lost Priority	StrongFront A/V Productions Inc.
Mira Black	Mira Music
Omerta	cbg Artist Development
Panic Land	Panic Land
Prophet	Prophet Rock
Red Moon Road	Red Moon Road
Royal Canoe	Royal Canoe
Savannah Rae Boyko	cbg Artist Development
Sierra Noble	cbg Artist Development
The Maclean Brothers	cbg Artist Development
The Treble	cbg Artist Development

Music Recording Production Level 2

Project	Recipient
Alana Levandoski	Sky Oyster Music
Arun Chaturvedi	cbg Artist Development
Brett Boivin	cbg Artist Development
Bubba B	World Buzz
Ca Claque	Studio 59
Don Amero	cbg Artist Development
Flying Fox & the Hunter Gatherers	Flying Fox and the Hunter Gatherers
Greg Macpherson	Greg MacPherson's Music Company
Inward Eye	Inward Eye
James Struthers	cbg Artist Development
Janice Finlay	Class Act Music Productions
Jason Kirkness	Jason Kirkness
JD Edwards	JD Edwards Music
Jerry Sereda	Jerry Sereda Music
Jicah	Jicah Music
John Smith	cbg Artist Development
Josh Youngson	Owen and the Sea
Marie-Josée Clement	MJ Clement
Red Moon Road	Red Moon Road
Sadie	World Buzz
The Crooked Brothers	Crooked Brothers
The F-Holes	The F-Holes Music
The Lytics	The Lytics Music
Thiefs	Pipe & Hat
Trio Bembe	Trio Bembe

Left: Daniel ROA
Right: Alana Levandoski





From left: Sierra Noble, James Struthers and Oh My Darling.

Music Recording Production Level 3

Project	Recipient
Daniel ROA	Daniel Roa
J.P. Hoe	J.P. Hoe
Keith & Renee	Easily Amused Music
Romi Mayes	Romi Mayes

Recording Artist Touring Support Program

This fund helps Manitoba musicians to expand their audience base through touring. Proposed tours must meet MANITOBA FILM & MUSIC's guidelines. This year, 56 projects received a total contribution of \$271,204.

Project	Recipient
Alana Levandoski	Sky Oyster Music
Amanda Falk	Signpost Music Ltd.
Amuse	Amuse Band
Boats	Majestic Triumph Records
Cat Jahnke	Cat Jahnke Music
Christine Fellows	Red Letter Music
Comeback Kid	Comeback Kid Inc.
Crooked Brothers	Crooked Brothers
Del Barber	Corn Cob Music
Domenica	Domenica Music
Don Amero	Ramero Company
Evil Survives	War On Music Worker Cooperative Limited
Fame	Fame Band Winnipeg
Flying Fox and the Hunter Gatherers	Flying Fox and the Hunter Gatherers
Greg Macpherson	Greg MacPherson's Music Company
Greg Rekus	Rekus Entertainment
High Five Drive	High Five Drive
Imaginary Cities	Imaginary Cities
Ingrid Gatin	Trash Can Romance Productions
J.P. Hoe	J.P. Hoe
James Struthers	JDS Industries
Jason Kirkness	Jason Kirkness
Jim Bryson	The Weakerthans

Jodi King	Jodi King Music
John K. Samson	The JKS Concern
KEN Mode	KEN mode
Les Jupes	Head in the sand Productions
Les Surveillantes	Les Surveillantes
Magnum K.I.	Foultone Records
Matt Epp	5776571 Manitoba Ltd.
Oh My Darling	Oh My Darling Music
Querkus	Querkus Music and Sound Creations
Quinzy	Quinzy
Romi Mayes	Romi Mayes
Royal Canoe	Royal Canoe
Ruth Moody	Blue Muse Records
Scott Nolan	Transistor 66 Record Company
Sean Brown	Sean Brown
Sheena Grobb	Red Shoe Music
Sights & Sounds	Sights & Sounds
Sons Of York	Lancer Records
Steve Bell	Signpost Music Ltd.
Subcity Dwellers	Subcity Dwellers Band
Take Me to the Pilot	Paradise Alley Productions Ltd.
The Dead Letters	The Dead Letters Music
The Details	The Details
The F-Holes	The F-Holes Music
The Keats	cbg Artist Development
The Liptonians	The Liptonians
The Lytics	The Lytics Music
The Magnificent 7's	Transistor 66 Record Company
The Paperbacks	The Paperbacks
The Part Day Group	The Part Day Group
The Perms	The Perms
The Wailin Jennys	The Wailin Jennys
Ultra Mega	Ultra Mega Music

Record Product Marketing Support Program

This program provides support for the marketing and promotion of Manitoba recordings. This year, 28 projects received a total contribution of \$85,013.

Project	Recipient
Alana Levandoski-Hymns from the Desert	Sky Oyster Music
Boats	Majestic Triumph Records
Canadian Folk Music Awards Sponsorship	Manitoba Music Industry Association
Don Amero	Ramero Company
Enjoy Your Pumas	Enjoy Your Pumas
Evil Survives	War On Music Worker Cooperative Limited
Flying Fox & the Hunter Gatherers	Flying Fox and the Hunter Gatherers
Imaginary Cities	Imaginary Cities
Ingrid Gatin	Trash Can Romance Productions
Katie Murphy-Exs & Uh ohs	Katie Murphy
Keith & Renee-Detours	Easily Amused Music
KEN Mode-Venerable	KEN mode
KIN	Kin Musique
Les Jupes	Head in the Sand Productions
Les Surveillantes - La Racine Carrée du Coeur	Les Surveillantes
Manitoba Music- Muxepo-2010	Manitoba Music Industry Association
Oh My Darling	Oh My Darling Music
Querkus-Spaces Btw/the Leaves Make Way for the Stars	Querkus Music and Sound Creations
Royal Canoe	Royal Canoe
Ruth Moody	Blue Muse Records
Sacrifice-The ones I condemn	War On Music Worker Cooperative Limited
Steve Bell-Kindness	Signpost Music Ltd.
Take Me to the Pilot	Paradise Alley Productions Ltd.
The Keats	cbg Artist Development
The Paperbacks-Lit From Within	The Paperbacks
The Seed Organization-The Heatscore	Balanced Records Inc.
The Wailin Jennys	The Wailin Jennys
Trio Bembe	Trio Bembe

Music Video Fund

This fund is designed to encourage the production of music videos as a tool for marketing and promotion on the national level. The music video must be made in promotion of a previously released or soon-to-be-released recording. This year, 7 applications were approved for a total contribution of \$23,080.

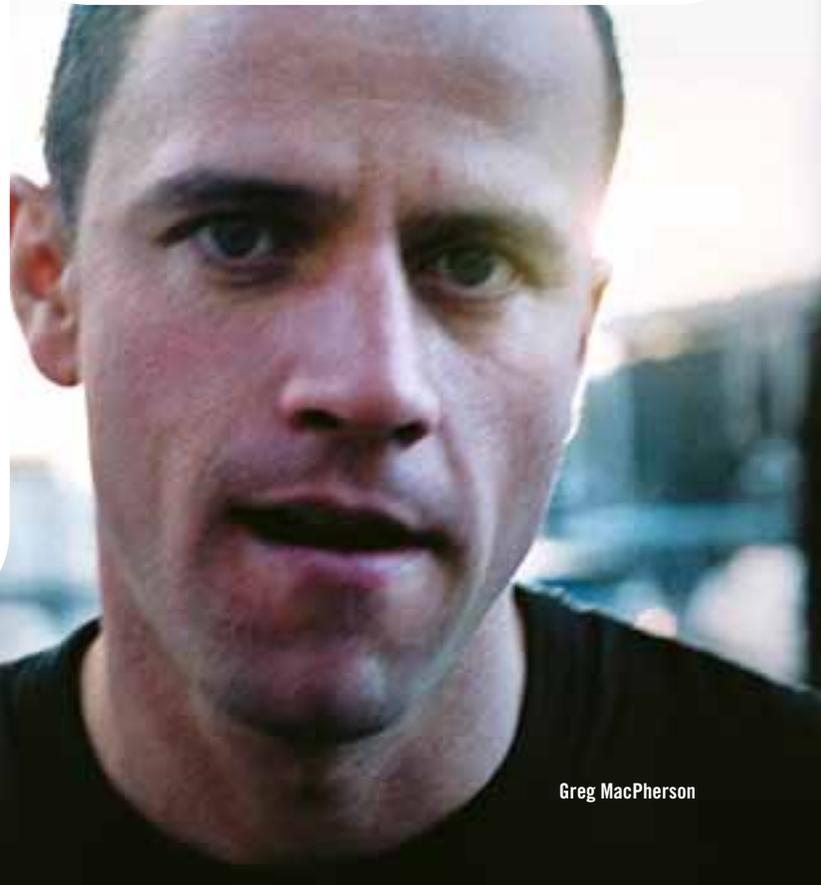
Project	Recipient
Bachman & Turner	Prairie Town Musical Inc.
Comeback Kid	Comeback Kid Inc.
Don Amero	Ramero Company
Keith & Renee	Easily Amused Music
Keith & Renee	Easily Amused Music
Les Jupes	Head in the sand Productions
Quinzy	Quinzy

Market Access Program

As a program of the M3P project, the Market Access Program is administered by **Manitoba Music** and supported with program assistance from MANITOBA FILM & MUSIC.

The aim of the program is to provide Manitoba artists and music industry professionals with development opportunities by attending professionally organized music industry conferences, showcases and other related approved events.

This year, MANITOBA FILM & MUSIC committed \$50,000 to the Market Access program.



Greg MacPherson



MANITOBA Film & Music

FINANCIAL STATEMENTS

March 31, 2011

La Ruée Vers L'Or



Manitoba Music Experience



Passionflower



Alana Levandoski
at MUSEXPO

Management's Responsibility

To the Board of Directors of Manitoba Film & Sound Recording Development Corporation:

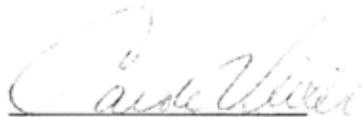
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and the Finance and Planning Committee are composed entirely of Directors who are neither management nor employees of the Organization. The Finance and Planning Committee also undertakes the responsibilities of an Audit Committee. The Finance and Planning Committee is appointed by the Board to review the financial statements in detail with management and to recommend them to the Board prior to their approval of the financial statements for publication.

External auditors are appointed to audit the financial statements and report directly to the Finance and Planning Committee; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Finance and Planning Committee and management to discuss their audit findings.

June 7, 2011



Carole Vivier, CEO



Kevin Gabriel, Manager of Finance
and Operations

Independent Auditors' Report

To the Board of Directors of Manitoba Film & Sound Recording Development Corporation:

We have audited the accompanying financial statements of Manitoba Film & Sound Recording Development Corporation, which comprise the statement of financial position as at March 31, 2011, and the statements of revenues and expenses, changes in net assets and cash flows and related schedule 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 generally accepted accounting principles, 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.

Auditors' 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 auditors' 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 Manitoba Film & Sound Recording Development Corporation as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba

June 7, 2011



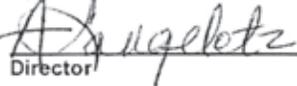
Chartered Accountants

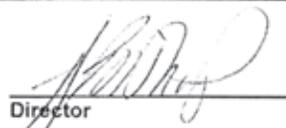
Manitoba Film & Sound Recording Development Corporation
Statement of Financial Position

As at March 31, 2011

	2011	2010
Assets		
Current		
Cash (Note 3)	339,753	146,759
Restricted cash (Note 3)	1,717,538	2,150,993
Accounts receivable	626	158,327
Prepaid expenses	43,372	34,572
	2,101,289	2,490,651
Capital assets (Note 4)	115,472	132,017
	2,216,761	2,622,668
Liabilities		
Current		
Accounts payable and accruals	61,682	54,297
Carry-over commitments (Note 3) (Note 5)	1,717,538	2,150,993
	1,779,220	2,205,290
Net Assets		
Invested in capital assets	115,472	132,017
Unrestricted	322,069	285,361
	437,541	417,378
	2,216,761	2,622,668

Approved on behalf of the Board


 Director


 Director

Manitoba Film & Sound Recording Development Corporation
Operating as Manitoba Film & Music
Statement of Revenues and Expenses

For the year ended March 31, 2011

	2011	2010
Revenues		
Province of Manitoba	3,944,600	5,194,600
Program recoupments	109,329	156,201
Other	37,071	42,101
	4,091,000	5,392,902
Expenses (Schedule 1)		
Film and Television Programs	2,002,116	3,468,519
Music Programs	562,803	629,711
Program Delivery - Film and Television and Music Programs (Note 8)	671,313	611,375
Film Commission/Location Services	352,270	391,807
Industry Support (Note 6)	285,915	334,665
Corporate Administration	196,420	222,105
	4,070,837	5,658,182
Excess (deficiency) of revenues over expenses	20,163	(265,280)

Manitoba Film & Sound Recording Development Corporation
Operating as Manitoba Film & Music
Statement of Changes in Net Assets

For the year ended March 31, 2011

	<i>Invested in capital assets</i>	<i>Unrestricted</i>	<i>2011</i>	<i>2010</i>
Net assets, beginning of year	132,017	285,361	417,378	682,658
Excess (deficiency) of revenues over expenses	(19,268)	39,431	20,163	(265,280)
Investment in capital assets	2,723	(2,723)	-	-
Net assets, end of year	115,472	322,069	437,541	417,378

Manitoba Film & Sound Recording Development Corporation
Operating as Manitoba Film & Music
Statement of Cash Flows
For the year ended March 31, 2011

	2011	2010
Cash provided by (used for) the following activities		
Operating activities		
Excess (deficiency) of revenues over expenses	20,163	(265,280)
Amortization	19,268	21,381
Loss on disposal of capital assets	-	417
	39,431	(243,482)
Changes in working capital accounts		
Accounts receivable	157,701	(152,526)
Prepaid expenses	(8,800)	13,883
Accounts payable and accruals	7,385	772
Carry-over commitments	(433,455)	662,188
	(237,738)	280,835
Investing activity		
Purchase of capital assets	(2,723)	(16,413)
(Decrease) increase in cash resources	(240,461)	264,422
Cash resources, beginning of year	2,297,752	2,033,330
Cash resources, end of year	2,057,291	2,297,752
Cash resources are composed of:		
Cash	339,753	146,759
Restricted cash	1,717,538	2,150,993
	2,057,291	2,297,752

Manitoba Film & Sound Recording Development Corporation
Operating as Manitoba Film & Music
Notes to the Financial Statements
For the year ended March 31, 2011

1. Nature of business

Manitoba Film and Sound Recording Development Corporation ("the Organization") is a statutory corporation created by the Province of Manitoba through The Manitoba Film and Sound Recording Development Corporation Act and is exempt from income taxes. The chief objective of the Organization is to foster growth of the Manitoba film and music recording industries by providing financial and other assistance.

The Organization has been designated by the Minister of Finance to administer the Manitoba Film and Video Production Tax Credit Program, including registration of productions and review of tax credit applications.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles as issued by the Accounting Standards Board in Canada the following significant accounting policies:

Capital assets

Capital assets are recorded at cost. Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives. The annual rates are as follows:

	<i>Rate</i>
Computer Equipment	20 %
Equipment	20 %
Furniture	20 %
Leasehold improvements	5 %
Website	30 %

Program funding

The Organization provides grant funding to Manitoba companies and individuals in order to promote Manitoba's film and music recording artists and industries. The grant may take the form of equity financing from which, in the future, there may be a recovery of principal or return on investment.

Revenue recognition

a) Program recoupments

Any recovery of principal or return on investment of programs funded is recorded as program recoupments when received.

b) Province of Manitoba funding

Province of Manitoba funding is based on the Province of Manitoba's annual allocation to the Organization and is recorded as revenue when received.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization of capital assets is provided based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Manitoba Film & Sound Recording Development Corporation Operating as Manitoba Film & Music Notes to the Financial Statements

For the year ended March 31, 2011

2. Significant accounting policies (Continued from previous page)

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Organization performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in operations for the year.

Financial instruments

Held for trading:

The Organization has classified cash and restricted cash as held for trading. These instruments are initially recognized at fair value. Fair value is approximated by the instruments' initial cost in a transaction between unrelated parties.

Loans and receivables:

The Organization has classified accounts receivable as loans and receivables. These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties.

Loans and receivables are subsequently measured at their amortized cost, using the effective interest method. Amortized cost is the amount at which the financial asset is measured at initial recognition less any reduction for impairment or uncollectability. Net gains and losses arising from changes in fair value are recognized in excess of revenues over expenses upon impairment.

Other financial liabilities:

The Organization has classified accounts payable and accruals as other financial liabilities. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties.

Other financial liabilities are subsequently measured at amortized cost. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments. Net gains and losses arising from changes in fair value are recognized in excess of revenues over expenses upon derecognition.

Financial instruments deferral of Section 3862 and 3863

In December 2006, the Canadian Institute of Chartered Accountants ("CICA") issued Section 3862 Financial Instruments - Disclosures and Section 3863 Financial Instruments - Presentation to replace Section 3861 Financial Instruments - Disclosure and Presentation. The effective date for these new Sections was for interim and annual financial statements with fiscal years beginning on or after October 1, 2007, with earlier adoption permitted. However, in light of the uncertainty regarding the future direction in setting standards for not-for-profit organizations, the CICA released a decision to allow deferral of Sections 3862 and 3863 for this sector. As such, not-for-profit organizations continue to apply Section 3861.

Manitoba Film & Sound Recording Development Corporation
Operating as Manitoba Film & Music
Notes to the Financial Statements

For the year ended March 31, 2011

2. **Significant accounting policies** (Continued from previous page)

Recent Accounting Pronouncements

Canadian accounting standards for not-for-profit organizations

In October 2010, the Accounting Standards Board (AcSB) approved the accounting standards for private sector not-for-profit organizations to be included in Part III of the CICA Handbook-Accounting ("the Handbook"). Part III comprises of the existing "4400 series" of standards dealing with the unique circumstances of not-for-profit organizations, and the new accounting standards for private enterprises in Part II of the Handbook, to the extent that they would apply to not-for-profit organizations.

Effective for fiscal years beginning on or after January 1, 2012, private sector not-for-profit organizations will have the option to adopt either Part III of the Handbook or International Financial Reporting Standards ("IFRS"). Earlier adoption is permitted. The Organization expects to adopt Part III of the Handbook as its new financial reporting standards. The Organization has not yet determined the impact of the adoption of Part III of the Handbook on its financial statements.

3. **Cash**

Cash on deposit earns monthly interest at the Chartered Bank's commercial rates. The Organization's internally restricted cash represents the carry-over commitments as described in Note 5.

4. **Capital assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2011 Net book value</i>
Computer Equipment	45,995	41,132	4,863
Equipment	8,224	4,766	3,458
Furniture	55,363	52,987	2,376
Leasehold improvements	139,154	40,158	98,996
Website	37,862	32,083	5,779
	286,598	171,126	115,472

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2010 Net book value</i>
Computer Equipment	45,115	36,702	8,413
Equipment	6,381	3,719	2,662
Furniture	55,363	51,871	3,492
Leasehold improvements	139,154	33,201	105,953
Website	37,862	26,365	11,497
	283,875	151,858	132,017

Manitoba Film & Sound Recording Development Corporation
Operating as Manitoba Film & Music
Notes to the Financial Statements

For the year ended March 31, 2011

5. Carry-over commitments

Due to lead times required to obtain all the resources necessary to complete film, television and music recording projects, the Organization approves applications for funding which may not be disbursed until subsequent fiscal periods. Particulars of such approved funding in fiscal year ended March 31, 2011 and prior years, which were not fully advanced as at March 31, 2011 are as follows:

	Year of Commitment			Total	
	10/11	09/10	Prior	2011	2010
Film					
Development Financing Programs	109,532	8,385	4,400	122,317	70,123
Production Financing Programs	899,820	102,500	43,250	1,045,570	1,009,647
Jump Start Program	-	191,250	-	191,250	625,000
Emerging Talent Matching Funds	3,000	1,050	1,000	5,050	7,050
Feature Film Marketing Program	2,500	-	-	2,500	1,800
Portfolio Investment Envelope	-	4,000	-	4,000	10,000
Access to Markets/Festivals	5,000	-	-	5,000	17,000
Industry Support	12,400	-	-	12,400	32,500
	<u>1,032,252</u>	<u>307,185</u>	<u>48,650</u>	<u>1,388,087</u>	<u>1,773,120</u>
Music					
Music Recording Production Fund Level 1	21,595	400	-	21,995	13,178
Music Recording Production Fund Level 2	99,678	4,384	-	104,062	71,230
Music Recording Production Fund Level 3	35,486	25,413	-	60,899	167,240
Music Recording - Out-of-Province Artists	-	-	-	-	21,000
Music Video Fund	4,946	375	-	5,321	5,281
Record Product Marketing Fund	53,179	767	-	53,946	36,338
Recording Artist Touring Fund	74,228	-	-	74,228	48,606
Portfolio Investment Envelope	-	4,000	-	4,000	11,000
Market Access Fund	5,000	-	-	5,000	4,000
	<u>294,112</u>	<u>35,339</u>	<u>-</u>	<u>329,451</u>	<u>377,873</u>
Total Commitments:	1,326,364	342,524	48,650	1,717,538	2,150,993

6. Industry support

The Organization indirectly supports the on-going development of creative talent, business skills and capacity building of various film, television and music recording professionals by providing funding for specific programming administered by Manitoba Music, On Screen Manitoba, the National Screen Institute Canada and the Winnipeg Film Group. Programs supported include Access to Markets, Aboriginal Music Program, Features First, Drama Prize, Totally Television, New Voices and WFG First Film, Post-Production and Marketing funds.

Manitoba Film & Sound Recording Development Corporation

Operating as Manitoba Film & Music

Notes to the Financial Statements

For the year ended March 31, 2011

7. Lease commitments

The Organization occupies leased premises subject to minimum monthly rent of \$5,196 until August 2013 plus various equipment leases with quarterly payments until September 2014. Future minimum annual payments as follows:

2012	68,808
2013	74,005
2014	32,435
2015	3,128

8. Program delivery

Program delivery also includes the expenses associated with the delivery of the Manitoba Film & Video Production Tax Credit Program ("MTC"). While the value of the MTC does not flow through the Organization, the management of it does and is therefore determined to be worth noting. A total of 116 applications were received for processing during the 2011 fiscal year (2010 - 120). This represents production activity for projects which took place in the current and prior years, in excess of \$150 million worth of production activity (2010 - \$151 million). The tax credits are subject to approval by the Province of Manitoba. The cost to administer the Program in the fiscal year was approximately \$65,200.

9. Economic dependence

The Organization's primary source of income is derived from the Province of Manitoba in the form of an operating grant.

10. Capital management

The Organization's objective when managing capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to provide financial and other assistance to its applicants.

The Organization sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Organization may decrease expenses or seek other sources of funding.

The Organization manages the following as capital:

	2011	2010
Invested in capital assets	115,472	132,017
Unrestricted net assets	322,069	285,361
	437,541	417,378

The Organization monitors capital on a quarterly basis, as well as annually, including the Board's input as to the capital management approach to take.

Manitoba Film & Sound Recording Development Corporation
Operating as Manitoba Film & Music
Notes to the Financial Statements

For the year ended March 31, 2011

11. Financial instruments

The Organization as part of its operations carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Fair value of financial instruments

The carrying amount of cash, restricted cash, accounts receivable and accounts payable and accruals is approximated by their fair value due to their short-term nature.

12. Comparative figures

Certain comparative figures have been reclassified to conform to current year's financial statement presentation.

Manitoba Film & Sound Recording Development Corporation
Operating as Manitoba Film & Music
Schedule 1 - Schedule of Expenses

For the year ended March 31, 2011

	2011	2010
Expenses		
Film and Television Programs		
Development Financing	251,722	229,084
Production Financing	1,775,730	1,659,311
Emerging Talent Matching Funds	16,000	24,000
Feature Film Marketing	8,664	25,524
Jump Start	(50,000)	1,525,000
Film PIE Program	-	5,600
	2,002,116	3,468,519
Music Programs		
Music Recording Production Level III	70,974	182,973
Music Recording Production Level III - Adjustments to prior year commitments	(90,553)	(5,957)
Music Recording Production Level II	148,473	94,052
Music Recording Production Level I	57,028	39,786
Music Video	23,081	30,432
Music Recording Production Level - Out of Province	(1,417)	40,000
Record Product Marketing Support	85,013	70,230
Recording Artist Touring Support	271,204	158,195
Sound PIE Program	(1,000)	20,000
	562,803	629,711
Program Delivery - Film and Television and Music Programs (Note 12)		
Salaries	440,224	411,040
Operating	231,089	200,335
	671,313	611,375
Film Commission/Location Services		
Film industry associations	352,270	391,807
Industry Support		
Film industry associations	83,433	121,500
Film sponsorships/partnerships	57,642	59,665
Music industry associations	125,000	115,000
Music sponsorships/partnerships	19,840	38,500
	285,915	334,665
Corporate Administration		
Salaries	125,674	132,034
Operating	70,746	90,071
	196,420	222,105
Total expenses	4,070,837	5,658,182