



Manitoba Film & Music 2013/2014 Annual Report

Making Waves

MFM

MANITOBA Musique et Film
Film & Music MANITOBA

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[@MBFilmMusic](https://www.facebook.com/MBFilmMusic)

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Manitoba Film & Music would like to thank On Screen Manitoba and Manitoba Music for contributing data and photographs to this annual report.

Letter of Transmittal



August 31, 2014

Honourable Ron Lemieux
*Minister of Tourism, Culture,
Heritage, Sport and
Consumer Protection*

Room 118, Legislative Building
450 Broadway
Winnipeg, Manitoba R3C 0V8

Dear Minister Lemieux:

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, 2014.

Respectfully submitted,

A handwritten signature in blue ink that reads "Alana Langelotz". The signature is fluid and cursive.

Alana Langelotz
Chairperson

The 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 ending March 31, 2014.

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 Tourism, Culture, Heritage, Sport and Consumer Protection. The management of **Manitoba Film & Music (MFM)** reports directly to the Board of Directors appointed by the Lieutenant Governor in Council.

MFM supports Manitoba music and screen-based industries through our objectives, which are to create, stimulate, employ and invest in Manitoba by developing and promoting Manitoba companies, as well as producing and marketing film, television, video and music recording projects. **MFM** also promotes Manitoba as a film location for international productions.

MFM exists so that our film and music industries flourish!

Board of Directors



Alana Langelotz
(Chair)



Lisa Meeches
(Vice-Chair)



Linda Allen



Heather Bishop
(until January 2014)



Cam Clark
(appointed January 2014)



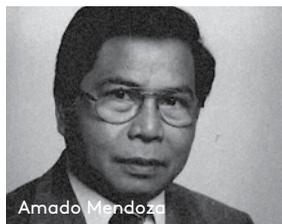
Diane Gray



Kim Jasper



David McLeod



Amado Mendoza



Mariette Mulgine
(appointed January 2014)



Kim Todd
(until January 2014)

Personnel



General:

Carole Vivier, Chief Executive Officer / Film Commissioner
Kevin Gabriel, Manager of Finance & Operations
Ginny Collins, Director of Communications and Marketing
Griffin Sokal, Marketing and Administrative Assistant

Film Program:

Louise O'Brien-Moran, Manager of Film Programs
& Location Services
Sebastien Nasse, Senior Analyst Film, Television and Tax Credits
Brian Clasper, Development & Tax Credit Analyst
Lauren Vogel, Locations Services Coordinator
Phoebe Chard, Locations Services Coordinator (since June 2013)

Music Program:

Jason Smith, Manager of Music Programs
Bonnie Seidel, Music Programs Administrative Assistant



Greetings from The Chairperson and Chief Executive Officer

On behalf of the Manitoba Film & Music (MFM) Board of Directors and staff, we are pleased to present the corporation's Annual Report for the fiscal year ending March 31, 2014.

The theme of this year's report, *Making Waves*, speaks to the resonance of our film and music industries throughout Canada and around the globe. This year we welcomed Canada's music industry to our doorstep, and had our film projects celebrated internationally. As this report demonstrates, our film and music industries continue to make a great impact, both economically and culturally.

In March, Winnipeg, Manitoba hosted the 2014 JUNOS Awards. MFM played a major role by working closely with the Canadian Academy of Recording Arts and Sciences (CARAS) and coordinating local JUNO efforts. While MFM CEO Carole Vivier served as the Winnipeg Host Committee Co-Chair, Music Programs Manager Jason Smith played a major role in organizing local events. Communications and Marketing staff Ginny Collins and Griffin Sokal served on the Host Committee and helped coordinate a variety of JUNO marketing initiatives. The JUNO Awards and all associated events were a major success, engaging thousands of Canadians in a celebration of great music. With a Welcome Reception that showcased our beautiful Canadian Museum for Human Rights, performances in our newly restored Metropolitan Theatre, and a glossy awards broadcast at the MTS Centre - JUNO Week illustrated Manitoba's renaissance as a thriving hub of creativity and development. The JUNOS also shone a spotlight on Manitoba's amazing musical talent with 12 local nominations, including five for MFM supported projects.

The JUNOS served as the cornerstone event in Manitoba's Year of Music. Later in 2014, Winnipeg will host Breakout West and the Western Canadian Music Awards, as well as other events that celebrate the spirit of music in Manitoba. These events and initiatives have stressed the key role played by the music industry in our province, both as driver of economic activity (the JUNOS Awards alone have an average impact of \$12 million in the host city) and a staple of our unique identity and culture. The Year of Music initiative reinforces Winnipeg's existing reputation as a musical city.

On the film side, Manitoba served as a production partner and filming location to a number of international co-productions. *Aloft*, starring Jennifer Connelly and helmed by Academy Award nominated director Claudia Llosa, shot in various locations across Manitoba during the winter of 2013. A partnership between Spain, France, Canada and the US, *Aloft* was co-produced by Phyllis Laing and line-produced by Rhonda Baker from the Manitoba production company Buffalo Gal Pictures. The film screened as part of the prestigious Competition Series at the Berlin International Film Festival (Berlinale) in February 2014, and received a red carpet screening in Winnipeg at the Centennial Concert Hall on April 24, 2014. The local screening welcomed over 1,200 Manitobans including representatives from all three levels of government, as well as high-profile members of the local arts, business, culture and public sectors. **MFM** partnered with Telefilm Canada, the Canada Media Fund, MTS, Super Channel, Netflix Canada, On Screen Manitoba, Buffalo Gal Pictures, William F. White and Mongrel Media in staging the event.

Another Buffalo Gal Pictures co-production *Heaven is for Real* was both shot and released in the last fiscal year. Based on a true story, the film stars Greg Kinnear and Kelly Reilly as a couple whose son believes he visited heaven during a near-death experience. On its opening weekend, the film grossed over \$22.5 million and has made nearly \$87 million to date.

In the winter of 2013, the film *Midnight Sun*, directed by Roger Spottiswoode, shot in Churchill and around Northern Manitoba. Set to be released next year, the film follows the story of a young boy who befriends a polar bear cub. During the shoot, **MFM** and Manitoba's film industry worked closely with Northern governments and business – in the process, forming strong relationships and driving economic activity. When released, the film will showcase some of our province's most beautiful landscapes to the world – providing excellent opportunities to promote Manitoba as a tourist destination. *Midnight Sun* was co-produced by local company Original Pictures.

This year also marked the growth of several partnerships, and the creation of new ones. During the screening of *Aloft* at Berlinale, **MFM** partnered for the first time with Travel Manitoba to offer an 'Arctic Safari' give-away as part of the Canada Reception. The screening provided an excellent opportunity for Manitoba to showcase itself to the world as a unique tourist destination. **MFM** is now in contact with Travel Manitoba on a regular basis to discuss cross-promotion opportunities. **MFM** has also expanded its relationship with close industry partners On Screen Manitoba (OSM) and Manitoba Music. As part of a joint campaign between OSM and **MFM** called 'Get on Set Manitoba', several publicity initiatives took place including the screening of public service announcements in Cineplex movie theatres, as well as prominent signage in the exchange district promoting Manitoba projects.

In closing, we would like to take this opportunity to thank those who champion this industry and the work of **Manitoba Film & Music**. Thank you to the Government of Manitoba for their ongoing support. Thank you to Minister Ron Lemieux and Deputy Minister Terry Goertzen, along with their staff, from the Department of Tourism, Culture, Heritage, Sport and Consumer Protection. Thank you as well to former Minister Flor Marcelino for your dedication to our industry.

Thank you to our partner organizations On Screen Manitoba, Manitoba Music, Telefilm Canada, 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. Thank you as well to our longtime sponsors The Fairmont Winnipeg, WOW Hospitality, Enterprise, Mondetta, Calm Air and Mordens of Winnipeg.

We would also like to thank the staff of **Manitoba Film & Music**, as well as the Board of Directors, who give their time and passion to ensure that our film and music industries flourish. Your dedication makes all of this possible. A special thanks to long standing board members Kim Todd and Heather Bishop who completed their terms this year.

Thank you to Kenny Boyce and the City of Winnipeg Film and Special Events Office for your hard work, flexibility, and most of all your love of our cultural industries.

Finally, we would like to thank all of those who support Manitoba talent. With such a supportive and vibrant environment in which to thrive, our artists and industry professionals will continue to find success here and around the world for many years to come.

Alana Langelotz
Chair

Carole Vivier
CEO

Partnerships

The growth of Manitoba's film and music industries can only be achieved through collaboration and strong partnerships. **Manitoba Film & Music** connects with and supports several local and international initiatives to help create opportunities for Manitobans and Manitoba companies working in the film and music industries.

Manitoba Music Rocks Charity Bonspiel

In February 2014, **Manitoba Film & Music** partnered with Manitoba Music in hosting the fourth annual Manitoba Music Rocks Charity Bonspiel. This year's sell-out event was the most successful to date, with over \$4,500 raised in support of the Unison Benevolent Fund, a charity that provides counselling, emergency relief and benefit programs for members of the Canadian music industry in times of need. **MFM** and Manitoba Music once again partnered with Breakfast Television to create a promotional video for the bonspiel that aired on City Winnipeg in the lead-up to the event.



Photo credit: J. Senft Photography



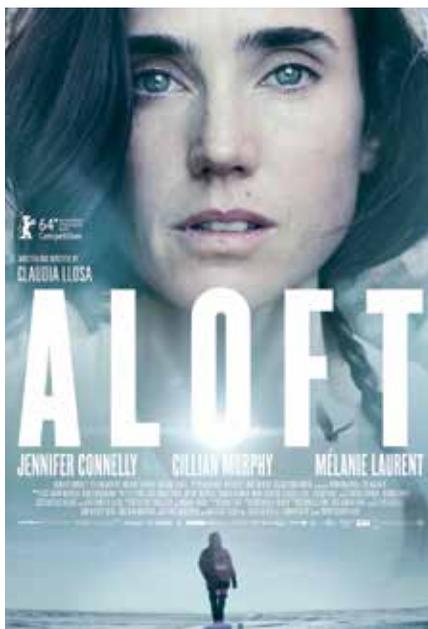
Photo credit: J. Senft Photography

Berlinale: The Berlin International Film Festival

Manitoba was in the spotlight at this year's Berlin International Film Festival. The locally-shot film *Aloft*, starring Jennifer Connelly and directed by the Academy Award nominated Claudia Llosa, screened as part of the prestigious Competition Series at the festival. To help promote Canadian talent and projects, **MFM** partnered with Telefilm Canada and other provincial agencies in hosting the Canada Reception at Berlinale. To help promote *Aloft* at the reception, **MFM** partnered with Travel Manitoba to coordinate a draw for a free trip to Churchill. Manitoba's winter landscapes were heavily featured in the film and linked strongly with a new Travel Manitoba campaign which markets the province's 'Northern Safari' tourist experience.



Aloft Red Carpet in Berlin



**Local events supported by
Manitoba Film & Music include:**

All Access: On Screen Manitoba
 Festival du Voyageur
 Gimli Film Festival
 Gimmie Some Truth Documentary Festival
 Jazz Fest
 Les Découverts (Le 100 Nons)
 Manito Ahbee
 Manitoba Music Rocks Charity Curling Bonspiel
 Winnipeg Aboriginal Film Festival
 Winnipeg Folk Festival

**National and international events supported
by Manitoba Film & Music include:**

2014 JUNO Awards
 American Film Market
 Berlinale (Berlin International Film Festival)
 Breakout West
 Canadian Screen Awards
 Cannes International Film Festival
 JUNO Songwriters Circle
 MIPCOM
 Prime Time

MFM also supports related industry organizations to help build the careers of both emerging and established film and music artists and 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. **MFM** also supported a number of national and international Manitoba Music events through the music marketing program.



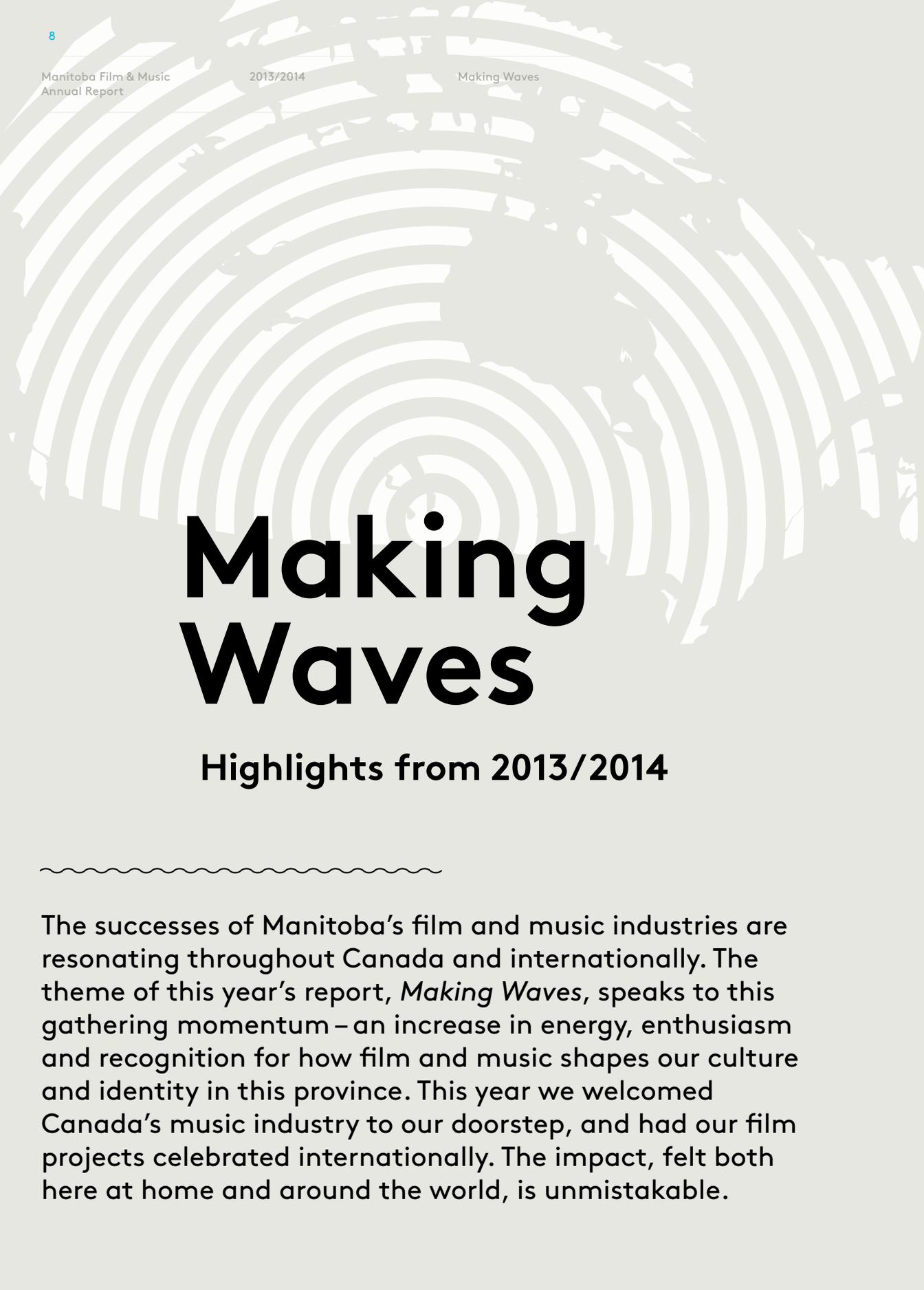
Oh My Darling at the Winnipeg Folk Festival



Michael Hennessy, Carole Vivier and Brad Pelman



Get on Set Manitoba signage



Making Waves

Highlights from 2013/2014

The successes of Manitoba's film and music industries are resonating throughout Canada and internationally. The theme of this year's report, *Making Waves*, speaks to this gathering momentum – an increase in energy, enthusiasm and recognition for how film and music shapes our culture and identity in this province. This year we welcomed Canada's music industry to our doorstep, and had our film projects celebrated internationally. The impact, felt both here at home and around the world, is unmistakable.

2014 JUNO Awards

In March 2014, Winnipeg hosted the 2014 JUNO Awards. The nation's biggest celebration of music took over the city during JUNO Week, March 24–30. **Manitoba Film & Music** was heavily involved with local efforts. CEO Carole Vivier served as the Host Committee Co-Chair, while **MFM** staffed organized local events and served on a number of sub-committees. Highlights from JUNO Week included a spectacular Welcome Reception at the Canadian Museum for Human Rights, a beautiful Aboriginal Honouring Ceremony for nominees at Government House, a great kick-off party at the Metropolitan Entertainment Centre, fantastic music education events at the Manitoba Legislature and West End Cultural Centre, and dozens of other music events and initiatives around the city. **MFM** and the Host Committee were also instrumental in organizing a Chamber of Commerce Luncheon in support of MusiCounts, a charity that promotes and funds music education. In the lead up to the JUNOS, the Host Committee worked with the Downtown Biz in coordinating a Downtown Pianos initiative, which involved the placement of pianos decorated by local artists in public spaces for anyone to play. In addition, the Marketing Committee worked with Kids in the Hall star Kevin McDonald to create 'Random Act of JUNO' videos, whereby random Winnipeggers were awarded a JUNO on camera. The series of videos received nearly 6,000 views on YouTube.



Scène Manitoabaine



Photo credit: CARAS/iPhoto Inc.



Kevin McDonald and Fred Penner

Aloft

The locally-shot film *Aloft*, starring Jennifer Connelly and directed by Claudia Llosa, filmed in Manitoba during the winter of 2013. The project went on to screen as part of the Competition Series at the Berlin International Film Festival and also received a red carpet screening in Winnipeg. The Winnipeg screening welcomed over 1,200 guests to the Centennial Concert Hall for a screening and cocktail reception. The event was hosted by Federal Minister of Canadian Heritage and Official Languages Shelly Glover and Premier Greg Selinger, represented by Provincial Minister of Tourism, Culture, Heritage, Sport and Consumer Protection Ron Lemieux. In hosting the screening, MFM partnered with Telefilm Canada, the Canada Media Fund, MTS, Super Channel, Netflix Canada, On Screen Manitoba, William F. White, Mongrel Media and Buffalo Gal Pictures. Attendees included national, provincial and civic government representatives, local business and culture leaders, national and local members of the film industry and others. Special invited guests included *Aloft* director Claudia Llosa, and producers Alejandra Hermida Muniz, Ignasi Estape Olivella, Jose Maria Morales and Mark Johnson. *Aloft* was co-production between Canada, the US, Spain and France. Local company Buffalo Gal Pictures served as the Manitoba co-producer on the film.



Carole Vivier, Sandra Hermida, Claudia Llosa and Hussain Amarsi



Nicole Matiation, Carole Brabant, Ignasi Estapé, Minister Shelly Glover, José Maria Morales, Carole Vivier, Sandra Hermida and Rhonda Baker

Year of Music

In celebration of all the music events taking place this year in Winnipeg, the Government of Manitoba implemented the Year of Music initiative. With the JUNO Awards as its cornerstone event, the Year of Music will also encompass Breakout West and the Western Canadian Music Awards (October 2014), several local festivals, as well as a publicity campaign involving a website, social media and advertising. The Year of Music website includes a calendar of local music performances and events, as well as videos, links to local music resources, and much more.



Premier Greg Selinger announced Year of Music
Photo credit: Manitoba Music



Heaven is for Real

Manitoba on the Silver Screen

In addition to *Aloft*, several high-profile international films shot in Manitoba this year. *Heaven is for Real*, starring Greg Kinnear and Kelly Reilly and directed by Randall Wallace, was shot and released in the past fiscal year. To date the film has grossed over \$87 million at the box office. In the winter of 2013, the film *Midnight Sun*, directed by Roger Spottiswoode, was filmed in Northern Manitoba. Set to be released in the coming year, the film features the story of a young boy who befriends a polar bear cub. All three high-profile films used locations outside Winnipeg for the majority of the shoot. *Aloft* was shot on the frozen water of Lake Winnipeg, while *Midnight Sun* used Churchill, Rankin Inlet and other locations in Northern Manitoba. *Heaven is for Real* was shot primarily in Stonewall, Warren and Selkirk.



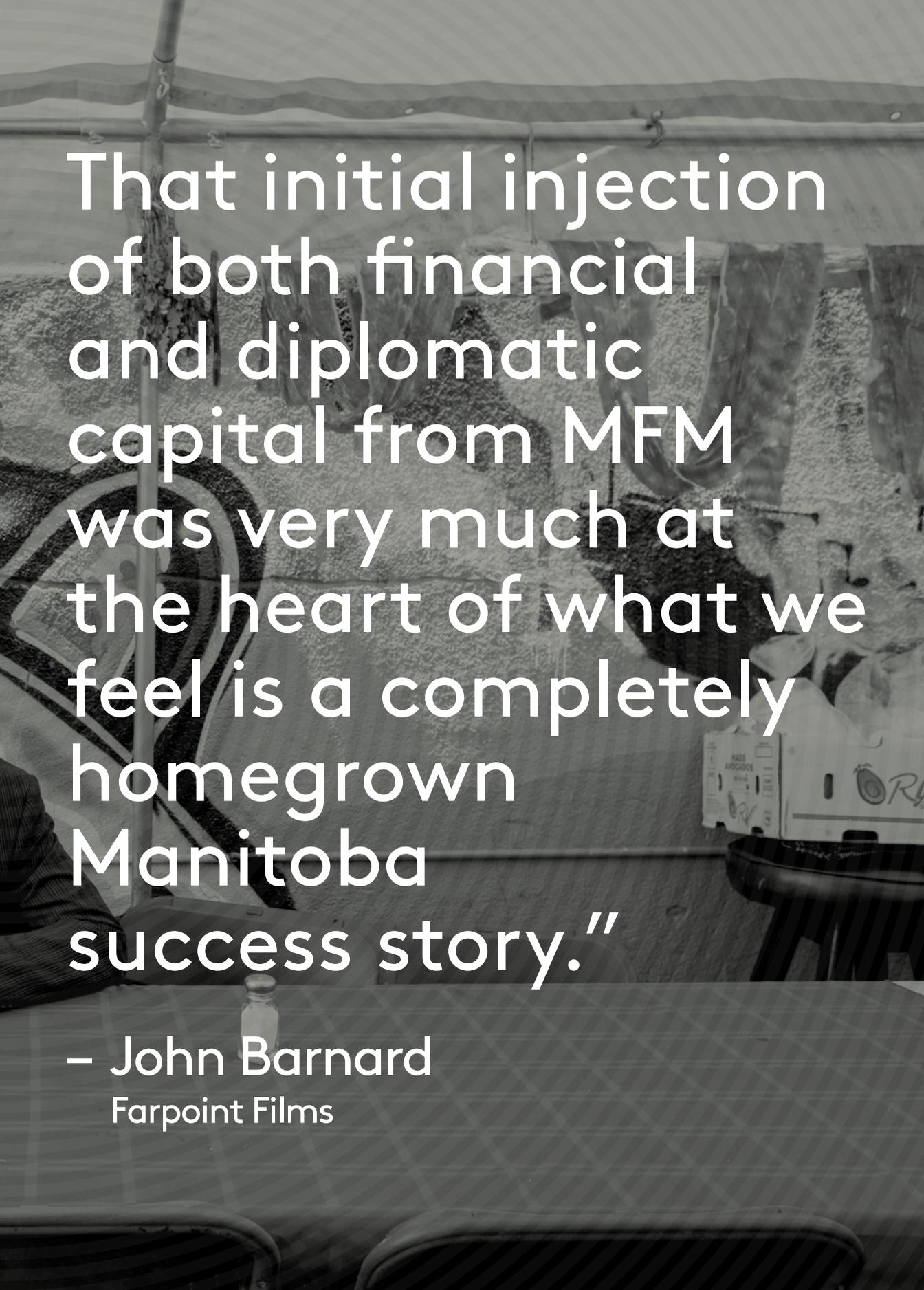
On the set of *Aloft*



Crew on the set of *Midnight Sun*

“MFM’s support
was the final
puzzle piece
that allowed
us to green
light our series
The Illegal Eater.





That initial injection
of both financial
and diplomatic
capital from MFM
was very much at
the heart of what we
feel is a completely
homegrown
Manitoba
success story."

– John Barnard
Farpoint Films

Film & Television in Manitoba

We exist so that 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, thereby increasing employment and stimulating business for local service providers.

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 locations services including script breakdown, locations scouting as well as government, business and industry liaison services. **MFM** staff attend film markets to attract and solidify co-production and off-shore productions that contribute millions to our local economy. **MFM** has helped secure such films and television programs as *Aloft*, *Heaven is for Real*, *Reasonable Doubt*, *Goon*, *Less Than Kind*, *Jack (The Jack Layton Story)*, *The Assassination of Jesse James by the Coward Robert Ford*, *We Were Children*, *Illegal Eater*, *Capote*, *Todd and the Book of Pure Evil* and many others.

Over the past ten years, Manitoba has seen approximately \$1 billion in local production, over half of which has been spent in the province on salaries, services and supplies. Out of this \$1 billion, our province has contributed around 15% in investments and incentives.

During the last fiscal year \$108 million in production took place in the province. This figure represents the total budgets for films that shot in Manitoba at any time between April 1, 2013 and March 31, 2014. The majority of this \$108 million was spent in the province on employment and services. In more ways than one, the film and television industries are good for Manitoba.

This year, **MFM** invested in 13 feature films, 23 television series, and 28 other projects including movies-of-the-week and television specials. Out of these 64 projects, 35 were documentaries. This year **MFM** also received 106 scripts and scouted for 13 projects for Manitoba co-production.



Teen Lust



Guy Maddin's Séanes



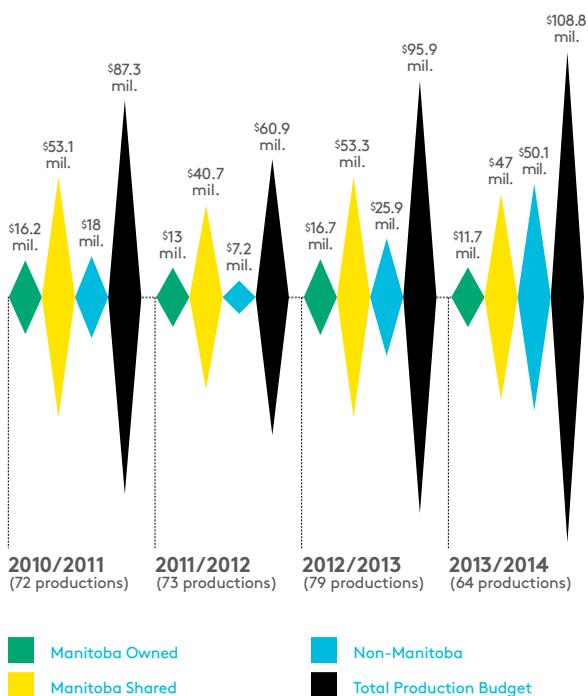
Moulin Rouge



Illegal Eater

Film & Television Production Activity

The total production value in fiscal 2013/2014 was \$108.8 million.



Note: These figures represent film and television production activity reported as of fiscal year ending March 31, 2014. 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 continues to be essential in attracting production to the province. Manitoba's generous tax credit is a key element in our ability to create local employment opportunities and attract significant economic investment to the province.

The Manitoba Film and Video Tax Credit provides a **rebate of up-to 65%** on eligible Manitoba labour or **30% on eligible local expenditures**. Details on the tax credit can be found at www.mbfilmmusic.ca

A total of 119 tax credit applications were received during the fiscal year. This represents nearly \$137 million production activity for projects which took place in the current and prior years.

Tax Credit Applications Filed in This Fiscal Year

	No. of Projects	Projected Prod Budgets (in Millions)
Feature Films	18	\$60.3
TV Series/ Mini-Series	46	\$40.6
One-offs	45	\$9.6
Other	10	\$26.4
Totals	119	\$136.9

Note: The above figures reflect productions that filed tax credit applications in the 2013/2014 fiscal year. Not all were filmed during that period.



Film – Other Dollars Leveraged

Financing of independent productions requires financial investment from several sources. **Manitoba Film & Music's** equity commitment to a project will often trigger other investors to participate. Other than funds from **MFM** and the Manitoba Provincial Tax Credit, other sources for production financing investments come from the Canada Media Fund, Telefilm Canada, 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).

With Manitoba's estimated equity financing and tax credit support totalling \$23.4 million, \$108.8 million in indigenous, co-production and foreign production activity occurred in this fiscal. This amount reflects 78% investment from other valuable sources such as Telefilm Canada, the Canada Media Fund, private funding, market support and assistance from other government entities. Manitoba's modest investment continues to attract millions of dollars of additional revenues into Manitoba's economy.

Film & Television Projects Supported

Television and Web-Based Production Fund and Feature Film Production Fund

These programs assist in the production financing of fully developed feature film, television, or web-based projects through equity investments. The projects are reviewed based on their economic impact in Manitoba and are awarded bonuses for diversity in culture and language and the inclusion of Manitobans in key creative positions.

During the fiscal year, 13 new applications were approved for a total investment of \$1,572,564

Project	Applicant
10 Trees That Can Save the World	Tree Films Manitoba Inc.
Bunks	Bunks Productions MB Inc.
Bunks 2	Bunks Productions MB Inc.
Illegal Eater	Illegal Eater Season One Inc.
Midnight Sun	Op Sun Inc.
Moulin Rouge – The Ballet	Paquin-Rivard Ballet Productions Inc.
Pour Un Soir Seulement VIII	Les Productions Pour Un Soir VIII Inc.
Séances	Cinema Atelier Tovar 2012 Inc.
Steel	Steel Productions Manitoba Inc.
Teen Lust	Sacrificial Lamb Productions Inc.
The Mating Game	Subtle Cues Films Inc.
The Power of Habit	Habit Films Inc.
Un musée pour l'humanité	Les Productions Musée Inc.



Pour Un Soir Seulement VIII

Feature Film Development Fund and Television and Web-Based Development Fund

Through these programs, eligible applicants may receive financial assistance for the development of viable motion picture concepts into screenplays for television, the Internet and theatrical release. Financing under both of these programs takes the form of non-interest bearing recoupable loans and is committed according to phases, depending on the program. Should the project qualify for production financing, the development loan can be converted into an equity investment.

During the fiscal year, 17 applications were approved for a total investment of \$188,607

Project	Applicant
33 Liberty Lane	Buffalo Gal Pictures Inc.
Bad Dogs	BD Animation Inc.
Burning Ember - The Steve Bell Story	Refuge 31 Films Inc.
Depreciating Asset	julijette Inc.
Dirty Little Deeds	julijette Inc.
Elsa	Inferno Pictures Inc.
Girl Crime	Eagle Vision Inc.
Jumbo's Clown Room	Buffalo Gal Pictures Development Inc.
Less Than Kind – Janukah	Buffalo Gal Pictures Development Inc.
Skinner	Eagle Vision Inc.
The Enchanter of Serpents	Endstop & Elsewhere
The Mud Hut	Eagle Vision Inc.
The Prairie Bridesmaid	Eagle Vision Inc.
The Reckoner	Kistikan Productions Inc.
The Spark	Buffalo Gal Pictures Inc.
The West	High Definition Pictures Inc.
Whither Must I Wander	Zelco Productions Inc.



The Mating Game



Pitch Readiness Program For Multi-Episode Productions (Pre-Market Development)

This program assists producers of multi-episode productions who have not yet obtained broadcaster or distributor financial support to prepare the strongest pitch presentations possible. The assistance takes the form of recoupable loans.

During the fiscal year, 7 applications were approved for a total investment of \$36,594

Project	Applicant
Big Lake Vet	Merit Motion Pictures Inc.
Detective Doctor Attorney At Law	Farpoint Films Inc.
Full Nest	Frantic Manitoba Productions Inc.
Hargreaves Farms	6399364 Manitoba Ltd.
Rustic Recipes	Black Watch Entertainment Inc.
Stuck in the Middle with You	Merit Motion Pictures Inc.
This Day Forward	Frantic Manitoba Productions Inc.



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 the fiscal year, 5 applications were approved for a total investment of \$38,806

Project	Applicant
FM Youth	Stéphane Oystryk
Graffiti Stories	6771743 Manitoba Inc.
Our First Takes	Five Door Films Inc.
Rachel Browne: A Good Madness	Ray Films Inc.
The Editor	Kennedy/Brooks Inc.

Feature Film Marketing Fund

This program assists eligible 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 intended to compliment resources, financial and otherwise, committed by the distributor of the film.

During the fiscal year, 1 application was approved for a total investment of \$6,421

Project	Applicant
Aloft	Cry Fly Manitoba Inc.



Photo credit: Jarrod Tully



“MFM gives young artists a chance to grow and flourish in an increasingly competitive music industry. For that, we are forever grateful.”

– Mark Brusegard
The Treble

Music in Manitoba

We exist so Manitoba's music industry flourishes! We do this by offering a series of music funding programs to help enhance and foster 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 business networking opportunities.

This year, **MFM** provided \$551,800 in funding toward 169 music projects, making our investment the key element of support to Manitoba's emerging and established musicians. Projects are funded through the Music Recording Production Fund (Levels 1, 2 and 3), the Recording Artist Touring Support Program, the Record Marketing Support Program, the Music Video Fund and the Music Recording Production Fund for Out-of-Province Artists.

Applications to **MFM's** music recording programs are evaluated through a juried process. Music recording proposals must be unanimously recommended for funding by a minimum of two juries. Juries are made up of local music industry professionals specializing in a specific genre of music. They may include producers, broadcasters, managers, label owners or representatives, artists, songwriters, media, and retailers.

Applications to the Record Product Marketing Fund, the Music Video Fund and the Recording Artists Touring Support Fund are evaluated based on project development plans, budget, artist track records, touring schedules, strength of support team and distribution plans.

Manitoba Film & Music sincerely thanks all of the jurors who so generously give their time.



Cara Luft



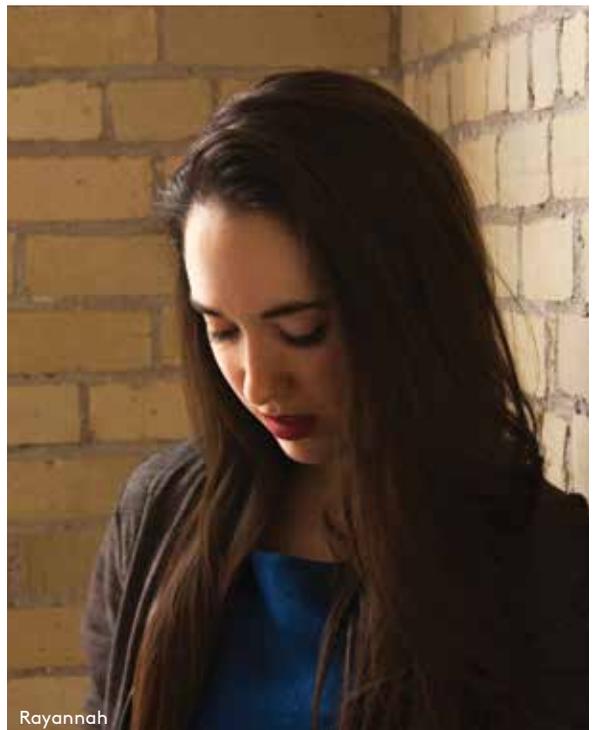
Federal Lights



Red Moon Road



Distances



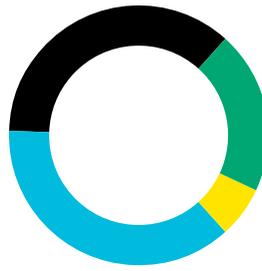
Rayannah

Music Production Activity

During the 2013/2014 fiscal year, **Manitoba Film & Music** provided \$551,800 in funding to 169 music projects including recording, touring, marketing and music video creation initiatives.

In the area of music and music video recording production, **MFM** provided \$178,798 toward 35 recording projects with total estimated budgets of over \$499,950.

As funding for Manitoba artists from other sources is often limited, our investment is the key element of support for the province's emerging and established musicians. The graph shows the crucial importance of **MFM's** investment in our local music recording industry.



Music Projects Supported

Manitoba Film & Music provided \$169,492 to 29 music recording projects during the fiscal year.

Music Recording Production Level 1

Amber Epp	Les Jupes
Clipwing	Mise en Scene
Flying Fox And the Hunter Gatherers	Petric
Hana Lulu	Rayannah
Indicator Indicator	Sc Mira
Kim Erickson	Steve Kirby

Music Recording Production Level 2

Cannon Bros	Marijosee
Dangercat	Matthew Patton
Distances	Neil Watson
Federal Lights	Pip Skid
Haunter	RasTamilis
Heartbeat City	Sierra Noble
Jocelyne Baribeau	Sweet Alibi

Music Recording Production Level 3

Chic Gamine	Del Barber
Comeback Kid	

Recording Artist Touring Support Program

This fund helps Manitoba musicians expand their audience base through touring. Proposed tours must meet **Manitoba Film & Music's** guidelines. This year, \$263,543 supported 90 applications by 49 different acts.

Abstract Artform	Marijosee
Boats	Matt Epp
Cara Luft	Mise en Scene
Chic Gamine	Mobina Galore
Claire Morrison	Oh My Darling
Comeback Kid	Oldfolks Home
Crooked Brothers	Propagandhi
Del Barber	RasTamilis
Distances	Red Moon Road
Federal Lights	Royal Canoe
Flying Fox And the Hunter Gatherers	Ruth Moody
French Press	Sc Mira
Grant Davidson	Scott Nolan
Greg MacPherson	Sights and Sounds
Greg Rekus	Steve Bell
Hana Lulu	Sweet Alibi
Imaginary Cities	Take Me To the Pilot
Indicator Indicator	The Bokononists
Ingrid Gatin	The Bros. Landreth
J.P. Hoe	The F-Holes
Jenny Berkel	The Noble Thiefs
Jess Reimer	The Revival
KEN mode	The Treble
Les Jupes	This Hisses
Manitoba Chamber Orchestra	

Music Projects Supported (Continued)

Record Product Marketing Support Program

This program provides support for the marketing and promotion of Manitoba recordings. This year, \$84,459 was provided to the following acts.

Ali Fontaine	Keith and Renee
Billy Simard	Les Jupes
Boats	Marie-Claude McDonald
Brooke Palsson	Marijosee
Bryce Pallister	Mise en Scene
Del Barber	Oldfolks Home
Desiree Dorion	Royal Canoe
Don Amero	Sketch Williams
Emma Cloney	Sweet Alibi
Flying Fox And the Hunter Gatherers	The Bokononists
Grant Davidson	The Bros. Landreth
Greg MacPherson	The Noble Thiefs
Indicator Indicator	The Revival
J.P. Hoe	The Treble
Jason Gordon	

Music Video Fund

This fund is designed to encourage the production of music videos as a tool for marketing and promotion. The music video must be made in promotion of a previously released or soon-to-be-released recording. This year, \$9,306 was provided to 6 music acts through this program.

Indicator Indicator	Renée Lamoureux
KEN mode	Royal Canoe
Les Jupes	The Lytics



Indicator Indicator

Market Access Program

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

This year, **Manitoba Film & Music** provided \$55,000 to the Market Access program, and provided an additional \$55,000 for the same program next fiscal.

Manitoba Film & Music is also helping to foster Aboriginal talent in Manitoba by supporting the Aboriginal Music Program (AMP) administered through Manitoba Music. This program helps First Nations, Métis, and Inuit people develop sustainable careers in Manitoba's music industry, and delivers programming and services that respond to the needs of the industry. AMP, in existence since 2004, is the only program of its kind in Canada.



The Bros. Landreth

2013/2014 Financial Statements

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 public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, 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 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.

May 28, 2014



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, 2014, the statements of operations, changes in net assets 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 public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, 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 in our audit 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, 2014, and the results of its operations, changes in net assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Winnipeg, Manitoba
May 28, 2014



Chartered Accountants

Manitoba Film & Sound Recording Development Corporation

Statement of Financial Position

As at March 31, 2014

	2014	2013
Assets		
Current		
Cash (Note 3)	1,511,581	1,362,522
Short-term investment (Note 4)	61,775	-
Accounts receivable	906	18,327
Prepaid expenses	52,914	53,793
	1,627,176	1,434,642
Capital assets (Note 5)	91,424	99,248
	1,718,600	1,533,890
Liabilities		
Current		
Accounts payable and accruals	179,739	106,043
Carry-over commitments (Note 6)	1,102,787	963,399
	1,282,526	1,069,442
Net Assets		
Invested in capital assets	91,424	99,248
Unrestricted	344,650	365,200
	436,074	464,448
	1,718,600	1,533,890

Approved on behalf of the Board



Director



Director

**Manitoba Film & Sound Recording
Development Corporation****Statement of Operations**

For the year ended March 31, 2014

	2014	2013
Revenues		
Province of Manitoba	3,865,600	3,944,600
Other	14,588	63,079
	3,880,188	4,007,679
Expenses (Schedule 1)		
Corporate Services	216,833	213,295
File Commission/Location Services	348,862	344,465
Film and Television Programs	1,944,992	2,196,692
Industry Support	302,215	327,950
Music Programs	551,800	570,862
Program Delivery - Film and Television and Music Programs (Note 9)	695,149	702,001
	4,059,851	4,355,265
Excess of expenses over revenue before program recoupments	(179,663)	(347,586)
Program recoupments (Note 12)	151,289	221,919
Excess of expenses over revenue (Note 16)	(28,374)	(125,667)

**Manitoba Film & Sound Recording
Development Corporation****Statement of Changes in Net Assets**

For the year ended March 31, 2014

	Invested in capital assets	Unrestricted	2014	2013
Net assets, beginning of year	99,248	365,200	464,448	590,115
Excess of expenses over revenue	(15,368)	(13,006)	(28,374)	(125,667)
Purchase of capital assets	7,544	(7,544)	-	-
Net assets, end of year	91,424	344,650	436,074	464,448

**Manitoba Film & Sound Recording
Development Corporation****Statement of Cash Flows**

For the year ended March 31, 2014

	2014	2013
Cash provided by (used for) the following activities		
Operating		
Excess of expenses over revenue	(28,374)	(125,667)
Amortization	15,368	16,507
	(13,006)	(109,160)
Changes in working capital accounts		
Accounts receivable	17,421	(15,638)
Prepaid expenses	879	8,311
Short-term investment	(61,775)	-
Accounts payable and accruals	73,696	32,784
Carry-over commitments	139,388	11,253
Deferred recoupment revenue	-	(136,835)
	156,603	(209,285)
Capital activity		
Purchase of capital assets	(7,544)	(9,396)
Increase (decrease) in cash resources	149,059	(218,681)
Cash resources, beginning of year	1,362,522	1,581,203
Cash resources, end of year	1,511,581	1,362,522

Manitoba Film & Sound Recording Development Corporation

Notes to the Financial Statements

For the year ended March 31, 2014

1. Nature of operations

Manitoba Film & 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 financing 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

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards for government non-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, and include the following significant accounting policies:

Capital assets

Purchased 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:

	Rate
Computer equipment	20%
Equipment	20%
Furniture and fixtures	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 on an accrual basis.

c) Jump Start program recoupments

Any recovery of principal or return on investment of programs funded under the Jump Start program must be re-invested in the Organization's Market Driven Television Production and Market Driven Feature Film Production financing programs within the fiscal year that the recoupment occurs, if possible. If not possible, recoupments will be deferred to the following fiscal year and recognized as revenue at that time.

Short-term investments

Short-term investments consist of guaranteed investment certificates held with the Organization's financial institution, and are measured at cost less impairment.

Manitoba Film & Sound Recording Development Corporation

Notes to the Financial Statements

For the year ended March 31, 2014

2. Significant accounting policies (Continued from previous page)

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian public sector accounting standards for government nonfor-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants 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 collectibility 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.

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

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

Pension costs and obligations

The Organization provides pension benefits to its employees.

Employees of the Organization are provided pension benefits by the Civil Service Superannuation Fund (the "Fund"). Under paragraph 6 of the Civil Service Superannuation Act, the Organization is described as a "matching employer" and its contribution toward the pension benefits is limited to matching the employees' contributions to the Fund. The Organization's contribution for the year was \$49,072 (2013 - \$42,426) and is included in employees benefits expense.

In addition, certain employees of the Organization are entitled to enhanced pension benefits. A pension liability has been established for those employees whose annual earnings exceed the limit under the Civil Service Superannuation Fund Plan. The Organization's contribution for the year was \$nil (2013 - \$nil) and is included in the calculation of employees benefits expense. The cost is actuarially determined using the projected benefit methods and reflects management's best estimate of salary increase and the age at which the employee will retire.

Manitoba Film & Sound Recording Development Corporation

Notes to the Financial Statements

For the year ended March 31, 2014

3. Cash

	2014	2013
Cash	408,794	399,123
Internally designated cash	1,102,787	963,399
	1,511,581	1,362,522

Cash on deposit and internally designated cash earns monthly interest at the Chartered Bank's commercial rates. The Organization has internally designated a portion of its cash as noted above to satisfy commitments made as disclosed in Note 6 for carry-over commitments.

4. Short-term investment

Short-term investments consist of a guaranteed investment certificate with a maturity date of March 27, 2015, bearing interest at a rate of 1% per annum.

5. Capital assets

	2014		2013
	Cost	Accumulated amortization	Net book value
Computer equipment	60,013	53,147	6,866
Equipment	9,243	7,184	2,059
Furniture and fixtures	58,692	56,348	2,344
Leasehold improvements	139,154	61,031	78,123
Website	28,663	26,631	2,032
	295,765	204,341	91,424
			2013
	Cost	Accumulated amortization	Net book value
Computer equipment	53,752	48,439	5,313
Equipment	8,802	6,024	2,778
Furniture and fixtures	57,850	55,240	2,610
Leasehold improvements	139,154	54,073	85,081
Website	28,663	25,197	3,466
	288,221	188,973	99,248

6. 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, 2014 and prior years, which were not fully advanced as at March 31, 2014 are as follows:

Manitoba Film & Sound Recording Development Corporation

Notes to the Financial Statements

For the year ended March 31, 2014

6. Carry-over commitments (Continued from previous page)

	Year of Commitment			Total	
	2013-2014	2012-2013	2011-2012 & older	2014	2013
Development Financing Programs	124,289	3,900	-4,366	123,823	13,236
Production Financing Programs	519,297	228,950	27,500	775,747	759,950
Emerging Talent Matching Funds	10,172	2,100	2,200	14,472	7,437
Feature Film Marketing Program	7,500	-	-	7,500	1,100
Access to Markets/Festivals	5,000	-	-	5,000	5,000
Industry Support	-	2,500	-	2,500	18,450
	666,258	237,450	25,334	929,042	805,173
Sound Recording Production Fund Level 1	7,200	-	-	7,200	3,600
Sound Recording Production Fund Level 2	47,250	26,525	-	73,775	80,075
Sound Recording Production Fund Level 3	16,000	6,375	-	22,375	7,375
Music Video Fund	250	700	-	950	6,383
Record Product Marketing Fund	23,995	1,273	-	25,268	29,556
Recording Artist Touring Fund	33,177	-	-	33,177	26,337
Market Access Fund	11,000	-	-	11,000	5,000
	138,872	34,873	-	173,745	158,226
Total Commitments:	805,130	272,323	25,334	1,102,787	963,399

7. 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 organizations such as 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.

8. Lease commitments

The Organization occupies leased premises subject to minimum monthly rent payments until August 2018, plus various equipment leases with quarterly payments until December 2017. Future minimum annual payments are as follows:

2015	72,702
2016	77,940
2017	72,268
2018	75,474
2019	22,691
	321,075

9. 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 119 applications were received for processing during the 2014 fiscal year (2013 - 128). This represents production activity for projects which took place in the current and prior years, in excess of \$136 million worth of production activity (2013 - \$149 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 \$88,302 (2013 - \$73,292).

Manitoba Film & Sound Recording Development Corporation

Notes to the Financial Statements

For the year ended March 31, 2014

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 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:

	2014	2013
Invested in capital assets	91,424	99,248
Unrestricted net assets	344,650	365,200
	436,074	464,448

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. There have been no significant changes in the Organization's capital management objectives, policies and processes during the year.

11. Pension obligations

The Organization measures its accrued enhanced pension benefit obligation as of December 31 each year. The most recent actuarial report was December 31, 2012. Information about the Organization's enhanced pension benefit plan is as follows:

	2014	2013
Enhanced pension obligation		
Balance, beginning of year	36,324	-
Current service costs	3,252	-
Past service costs	-	36,324
Interest cost	2,315	-
Experience loss and transitional adjustment	19,884	-
Balance, end of year	61,775	36,324
Enhanced pension expense consists of the following:		
Current service cost	3,252	-
Past service cost	-	36,324
Interest cost	2,315	-
Experience loss and transitional adjustment	19,884	-
Balance end of year	25,451	36,324
Significant actuarial assumptions:		
Discount rate	6.00%	6.00%
Rate of compensation increase	3.75%	2.00%

12. Program recoupments

During the year the Organization received \$2,481 (2013 - \$nil) in program recoupments related to the Jump Start program. These funds were reinvested into new projects during the year.

13. 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, liquidity, or other price risks arising from these financial instruments.

14. Economic dependence

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

Manitoba Film & Sound Recording Development Corporation

Notes to the Financial Statements

For the year ended March 31, 2014

15. Subsequent event

On April 9, 2014, a group withdrew its application for funding in the amount of \$260,000. This amount is expected to be used to fund additional projects in the upcoming fiscal year.

16. Budget

During the year, the Board approved its operating budget based on planned expenses and the use of unrestricted net assets to cover any excess of expenses over revenue for the year.

Manitoba Film & Sound Recording Development Corporation

Schedule 1 - Schedule of Expenses

For the year ended March 31, 2014

	2014	2013
Expenses		
Program Delivery - Film and Television and Music Programs		
Salaries	501,279	489,141
Operating	193,870	212,860
	695,149	702,001
Film Commission/Location Services		
	348,862	344,465
Industry Support		
Film industry associations	50,000	140,000
Film sponsorships/partnerships	47,365	42,825
Music industry associations	185,000	125,000
Music sponsorships/partnerships	19,850	20,125
	302,215	327,950
Corporate Services		
Salaries	144,806	137,193
Operating	72,027	76,102
	216,833	213,295
Music Programs		
Music Recording Production Level III	169,492	194,816
Music Video	9,306	30,220
Record Product Marketing Support	109,459	90,110
Recording Artist Touring Support	263,543	255,716
	551,800	570,862
Film and Television Programs		
Development Funding	250,201	106,347
Production Financing	1,647,083	1,930,165
Emerging Talent Matching Funds	38,806	12,686
Feature Film Marketing	6,421	10,659
Jump Start	2,481	136,835
	1,944,992	2,196,692
Total expenses	4,059,851	4,355,265

