



THE FACES OF FILM & MUSIC



**MANITOBA FILM & MUSIC
ANNUAL REPORT**

MFM
MANITOBA Music & Film
Film & Music MANITOBA

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**2014
/2015**

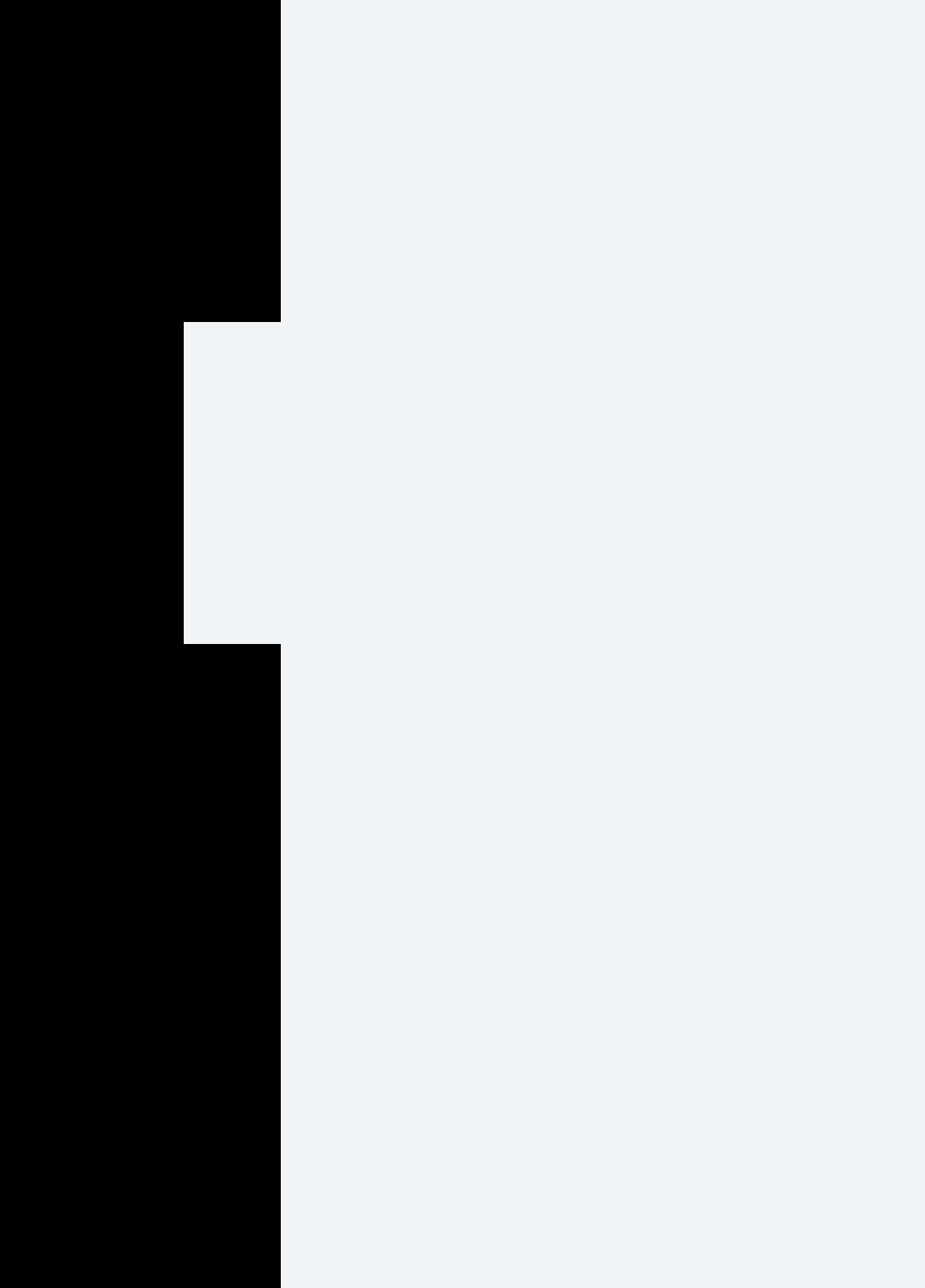


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LETTER OF TRANSMITTAL



AUGUST 31, 2015

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, 2015.

Respectfully submitted,

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, 2015.

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
(Chairperson)



Lisa Meeches
(Vice-Chairperson)



Linda Allen



Cam Clark



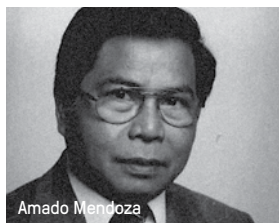
Diane Gray



Kim Jasper



David McLeod



Amado Mendoza



Mariette Mulaire

PERSONNEL



MFM Staff

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 (until January 2015)
Jenna Anderson, Marketing and Administrative Assistant (from January 2015)

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

Music Program:

Jason Smith, Manager of Music Programs (until June 2014)
Stephen Carroll, Manager of Music Programs (from August 2014)
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, 2015.

This year's report, *The Faces of Film & Music*, shines a spotlight on the individuals that make up this vibrant sector. Together, the film and music industries employ over 4,300 Manitobans and touch thousands of others by engaging suppliers and service providers. With a combined economic impact of well over \$200 million per year, these industries ensure that our province retains skilled and creative people and provides attractive opportunities for our brightest Manitoba youth.

When reflecting upon the year, several faces come to mind.

Tanya Tagaq, a Brandon-based Inuk throat singer/pop artist, took home our nation's top music honour in September 2014; The Polaris Music Prize. Described as a ground-breaking tour de force, Tagaq's **MFM**-funded album 'Animism' also garnered a JUNO for Best Aboriginal Album and several other national awards and nominations.

The Bros. Landreth, who took home a JUNO for Roots/Traditional Album of the Year, had a banner year that included signing a deal with American label Slate Creek Records and embarking on an international tour. The band has been touted by media as "the next big thing" in Canadian music and shows no signs of slowing down.

On the film side, many Manitoba faces were seen on the silver screen this year thanks to the series *The Pinkertons*, a 22 episode drama about America's first detective agency. The syndicated series employed 95% Manitoba crew, with 96% of acting roles filled by locals.

Two other series, *Polar Bear Alley* and *Sunnyside*, also employed a great deal of Manitoba crew and talent. Shot in Winnipeg's West Broadway neighbourhood, the sketch comedy series *Sunnyside* has been renewed for another six episodes, with filming slated for spring 2015. The factual series *Polar Bear Alley* was shot in Churchill, showcasing Manitoba's beautiful and unique landscapes to the world.

Winnipeg's world-renowned filmmaker Guy Maddin also met with great success this year. His newest film *The Forbidden Room* received high profile screening at two of the world's most prominent film festivals; Berlinale (the Berlin International Film Festival) and Sundance. **MFM** was in Berlin to help market the film and partnered with Travel Manitoba on a trip give-away to see 'Guy Maddin's Manitoba'.

Although there was much to celebrate this year, our industry also experienced extreme loss with the death of Kevin Walters. A former beloved **MFM** staff member, Kevin was a tireless champion of the arts in Manitoba and helped foster a generation of musicians. His legacy of mentorship lives on through the Kevin Walters Memorial Fund, which supports promising performers and organizations in music, film, performance and the creative arts.

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 from the Department of Tourism, Culture, Heritage, Sport and Consumer Protection.

Thank you to our partners and colleagues at the City of Winnipeg, On Screen Manitoba, Manitoba Music, Telefilm Canada, the Canada Media Fund, 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 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.

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 musicians, filmmakers, crew and industry professionals will continue to make our province more culturally rich and economically vibrant.

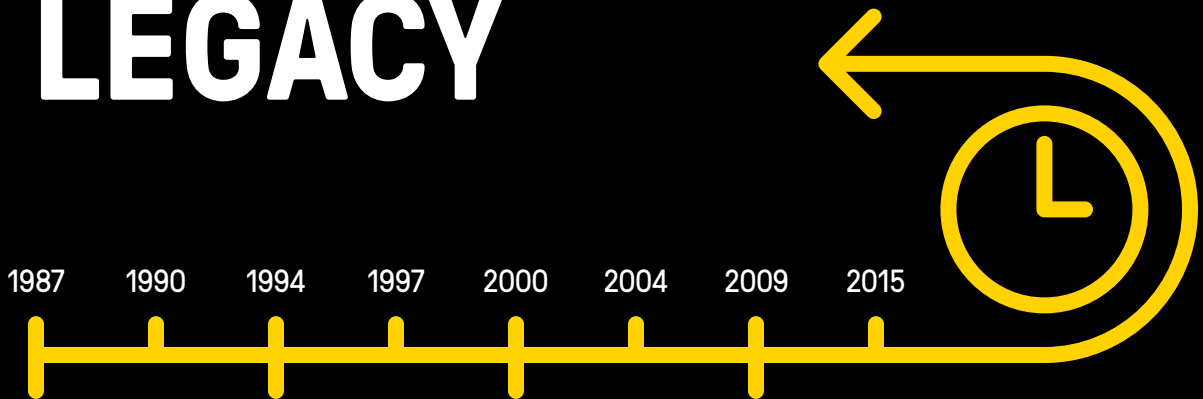


Alana Langelotz
Chairperson



Carole Vivier
CEO & Film Commissioner

MFM'S LEGACY



Since inception in 1987, *MFM* has been a key catalyst in the development of film and music in Manitoba. Our support of local artists, businesses and talent has helped create vibrant creative industries with a combined economic impact of over \$200 million annually.

Our legacy lies in the success of our artists, the strength of our companies and the jobs created through film and music. Provincial support means that

our brightest talent can live and work in a province where they are valued. Today, the film and music industries provide 4,300 full-time jobs to creative and highly skilled Manitobans.

The numbers to the right reflect the scope and success of sustained government support and relevant programming. Both are key elements in promoting growth, prosperity and entrepreneurship in Manitoba's film and music industries.



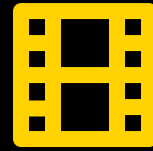
Since 1987
Manitoba Film & Music has funded
8000 songs
by Manitoba artists.



There have been over
460 award nominations
for film projects
that MFM has supported, and
195 wins.



MFM has funded over
1,200 music
recording projects
including
540 full-length albums,
615 demos and over 200 EPs and singles.



MFM has financially supported over
25,000 minutes
of screen content,
including
85 feature films
and **138 series and**
mini-series.



MFM-supported film and music projects have won prestigious awards including
an Oscar, 7 JUNOS, an International Emmy,
a Golden Globe, 55 Western Canadian Music Awards,
a BAFTA, 17 Canadian Screen Awards

and much more!

HIGHLIGHTS

FROM 2014/2015

TANYA TAGAQ: A FORCE OF NATURE



Brandon-based Inuk throat singer Tanya Tagaq made a huge impact on the Canadian music scene this year with her **MFM**-funded album 'Animism'. After winning the nation's most prestigious award, The Polaris Music Prize (given to the musician with the highest artistic integrity, without regard to musical genre, professional affiliation or sales history), Tagaq went on to receive a JUNO Award, a Canadian Folk Music Award and several other nominations. 'Animism' has received major critical accolades in Canada and around the world, with her music being referred to as "groundbreaking" and "an overwhelming life force". Through her work and public profile, Tagaq has brought awareness to myriad social issues involving Aboriginal Peoples including missing and murdered Aboriginal women, poverty, Truth and Reconciliation and others.

GUY MADDIN'S THE FORBIDDEN ROOM



Winnipeg's own world-renowned filmmaker Guy Maddin launched his latest project *The Forbidden Room* to great fanfare at both the Berlin International Film Festival (Berlinale) and Sundance. At Berlinale the film had a high-profile screening as part of the Experimental Strand, a programme that features 'avant garde' filmmaking from around the world. *The Forbidden Room* is made up of several Séances or Spiritismes filmed by Maddin in various international locations (including Centre Pompidou in Paris and the MOMA in New York) over the past two years. The film features many



international stars including Charlotte Rampling, Udo Kier, Mathieu Amalric and others. In celebration of the high-profile screening of *The Forbidden Room*, **MFM** partnered with Travel Manitoba to provide a 'Maddin Manitoba' trip giveaway at the Canada reception at Berlinale, which included a tour of various Manitoba cultural attractions given by Maddin himself, a trip to Churchill to see the Beluga whales and a stopover in Gimli, the setting of Maddin's film *Tales from the Gimli Hospital*.

MANITOBA MUSICIANS FOR THE WIN



Del Barber

In the last fiscal year, **MFM**-funded albums were nominated for 33 prestigious national awards and won 14.

Capping off the Province of Manitoba's Year of Music, BreakOut West (including the Western Canadian Music Awards) was hosted in Winnipeg October 2 –5, 2014. Manitoba dominated the awards with 44 total nominations for local acts and industry, including 16 for **MFM**-funded albums. Manitoba musicians picked up an unprecedented 17 awards in artistic and industry categories, including 10 for **MFM**-funded projects.

Manitoba also had a fantastic showing at this year's JUNO Awards with four nominations and two wins for **MFM**-funded projects. Tanya Tagaq took home the JUNO for Aboriginal Album of the Year, while young roots rockers The Bros. Landreth were awarded Roots Traditional Album of the Year in the Group category. Tagaq doubled-up with a nomination for Alternative Album of the year and local troubadour Del Barber was nominated for Roots Traditional Album of the Year in the Solo category.

Manitoba acts were also recognized with nominations at the Indigenous Music Awards, the SiriusXM Indies and the Canadian Folk Music Awards – where Tanya Tagaq and The Bros. Landreth won the Pushing the Boundaries and the New/Emerging Artist of the Year categories respectively.

MANITOBA FILM SUCCESSES

This past fiscal year, we had a number of made-in-Manitoba projects honoured with award nominations, wins and festival selections.

At the Canadian Screen Awards, Manitoba projects had several nominations including the **MFM**-supported project *Illegal Eater* produced by Manitoba company Farpoint Films and Middle Child Films (for *Travel & Escape*), which was nominated for Best Lifestyle for Talk Program Series. This same series was also lauded at the Banff World Media Festival for Best Writing in a Lifestyle or Reality/Competition Program or Series.

Other Manitoba nominees for Canadian Screen Awards included the Inferno Pictures made-for-television film *Bunks*, nominated for two awards including Best Dramatic Mini-Series or TV Movie and Best Direction in a Dramatic Program or Mini-Series; and Frantic Films for projects *A DORE To Winnipeg* (nominated for Best Direction in a Variety or Sketch Comedy Program or Series and Best Writing in a Variety or Sketch Comedy Program or Series) and *Meet the Family* (nominated for Best Picture Editing in a Comedy or variety Program or Series).

On May 6th, DOXA (Documentary Film festival) presented *Weird Old Winnipeg*, featuring 9 short films from Winnipeg filmmakers; Ryan McKenna, Matthew Rankin, Dave Barber, Leslie Supnet, Aaron Zeghers, Nigel Webber, Walter Forsberg, Rhayne Vermette, Jaimz Asmundson and Karen Asmundson.

In April, the short comedy *Will the Real Dave Barber Please Stand Up?* screened at the 21st edition of Hot Docs Canadian International Documentary Festival in Toronto. Merit Motion Pictures project

Vietnam: Canada's Shadow War was nominated for award at Yorkton Film Festival 2014, and Konofilm Productions Inc. won the award for Documentary Arts & Culture at the 2014 Yorkton Film Festival.

Shelagh Carter's short dance film *Is It My Turn* recently received Awards of Excellence and Merit in the categories of 'Choreography' and 'Experimental' at the Accolade Global Film Competition in La Jolla, California this past November. *Treading Water: Plight of the Manitoba First Nation Flood Evacuees* won Best Short Documentary at the imagineNATIVE Film + Media Arts Festival.

Original Pictures' President Kim Todd took the stage at the 2014 Emmy's to accept the award for Outstanding Miniseries for her work on *Fargo*. The series also won for Outstanding Directing for a Miniseries, Movie or Dramatic Special for the episode 'Buridan's Ass' directed by Colin Bucksey. *Fargo* was nominated for a total of 18 Emmys. Sonya Ballantyne's project *Crash Site* was selected as the winner of the RBC Emerging Filmmaker Competition during the 2014 Gimii Film Festival. *We Were Children*, produced by Eagle Vision, Entertainment One and the National Film Board in association with APTN won the prize in the history category in the best in unscripted competition at the Banff World Media Festival. At the Female Eye Film Festival Paula Kelly's feature film drama *Euphoria* won the top award Best of Show and received Audience Choice Award at the Green Bay Film Festival. Manitoban Merit Jensen Carr was awarded a lifetime achievement award from the Women Entrepreneur of The Year Awards. Director Aaron Floresco was awarded the Bravo Factual Grant.

HIGHLIGHTS

FROM 2014/2015

(CONTINUED)

SPOTLIGHT ON SERIES: CREATING JOBS FOR MANITOBANS



The Pinkertons



Polar Bear Alley



The Pinkertons

The last fiscal year saw three major series' film throughout the province. A series is especially beneficial to the industry because it provides more long-term employment for cast and crew, as well as valuable training opportunities for young industry professionals.

The Pinkertons, a 22-episode drama based on America's first detective agency, shot in Grosse Isle, Manitoba and made use of the historic Prairie Dog Express train and station. Produced by local company Buffalo Gal Pictures, along with Suzanne Berger at Rosetta Media, the series was created using 95% Manitoba crew, with 96% of acting roles allocated to Manitobans.

Sunnyside, a sketch comedy series shot in Winnipeg's West Broadway neighbourhood, filmed six half-hour episodes in the last fiscal year, with seven more slated to shoot in the spring of 2015. The series, broadcast on City, is produced by local company Buffalo Gal Pictures, alongside Counterfeit Pictures.

The series *Polar Bear Alley*, featuring the province's beautiful Northern landscapes, shot in Churchill, Manitoba last fiscal. Produced by local company Merit Motion Pictures, the factual series is broadcast on OLN.

HYENA ROAD

In early fall 2014, the Paul Gross project *Hyena Road* filmed at the Canadian Forces Base in Shilo, Manitoba. *Hyena Road* was written, directed and produced by Gross, who also starred in the film. The story follows three individuals and their experiences in the war in Afghanistan. The film, co-produced by local company Buffalo Gal Pictures, along with Rhombus Media, was also shot in Jordan. There will be a red carpet screening of *Hyena Road* in Winnipeg in the fall of 2015, following a high-profile premiere at the Toronto Film Festival.



Paul Gross, Carole Vivier and Niv Fichman on the set of *Hyena Road*



REMEMBERING KEVIN WALTERS

Manitoba's cultural industries were shaken this year by the death of one of our greatest champions, Kevin Walters. A former staff member, Kevin helped foster and mentor a generation of musicians as the Manager of Music Programs at **Manitoba Film & Music**. After his time at **MFM**, he planned high profile events including the JUNOS, Culture Days and Manitoba Homecoming, and served as the Chair of the Board of Directors at Manitoba Music. Kevin's legacy of fostering talent lives on through the Kevin Walters Memorial Fund, which supports promising performers and organizations in music, film, performance and the creative arts. Proceeds from this year's Manitoba Music Rocks Charity Bonspiel, a joint initiative of **MFM** and Manitoba Music, were donated to the fund.

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.

SPOTLIGHT ON:

THE WINNIPEG FOLK FESTIVAL

Manitoba Film & Music is a proud partner of the Winnipeg Folk Festival – the signature music event of the summer. Each year, *MFM* joins forces with Manitoba Music to sponsor a workshop of Manitoba artists. The 2014 workshop, titled 'Moody Manitoba Morning', featured a fantastic lineup of local artists including Ruth Moody and Sweet Alibi, as well as JP Hoe, The Bros. Landreth and Chic Gamine – who also played sets in front of an audience of thousands on the main stage.



SPOTLIGHT ON:**ALL ACCESS: ON SCREEN MANITOBA**

On Screen Manitoba's All Access Forum is a key annual event that brings broadcasters, funding organizations, distributors (both film and television) and other guest speakers to Winnipeg to meet with the Manitoba media production community over two and half days, with sessions for both English and French-language markets. **MFM** is proud to participate as a sponsor of this event, and to contribute expertise through staff participation on panels and networking sessions. The January 2015 forum brought high-level industry professionals from Bell Media, Rogers, CBC and other sought-after partners to create opportunities for Manitoba filmmakers and producers.

**Events supported by MFM include:**

ACTRA Awards

All Access: On Screen Manitoba

Bandwidth

Breakout West

Canadian Screen Awards

Festival du Voyageur

Freeze Frame

Gimli Film Festival

Jazz Fest

KANATA

Manitoba Music Rocks Charity Bonspiel

Manito Ahbee

Les Découverts

Winnipeg Folk Festival

WNDX

MFM also supports organizations within the industry to help build the careers of both emerging and established artist and industry 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 M3P.





Photo credit: Steven Ackerman

“ I live and work
in Manitoba
because of the
film industry.
Without a strong
industry I would
need to move to
a larger city to
do what I love.

Doug Morrow
Makeup artist,
creator of monsters

FILM & TELEVISION IN MANITOBA

MFM exists so that Manitoba's film and television industries flourish! We achieve 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 screen-based 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 location services including script breakdown, location scouting as well as government, business and industry liaison services. **MFM** has helped to attract such films and television programs as *Aloft*, *The Pinkertons*, *Heaven is for Real*, *Sunnyside*, *Goon*, *The Assassination of Jesse James by the Coward Robert Ford*, *Capote* and many others.

Over the past ten years, Manitoba has seen over a billion dollars in local production, over half of which has been spent in the province on salaries, services and supplies. Out of the total production volume, our province has contributed around 15% in investments and incentives.

During the last fiscal year, \$113.6 million in production took place in the province. This figure represents the total budgets for films that shot in Manitoba any time between April 1, 2014 and March 31, 2015.

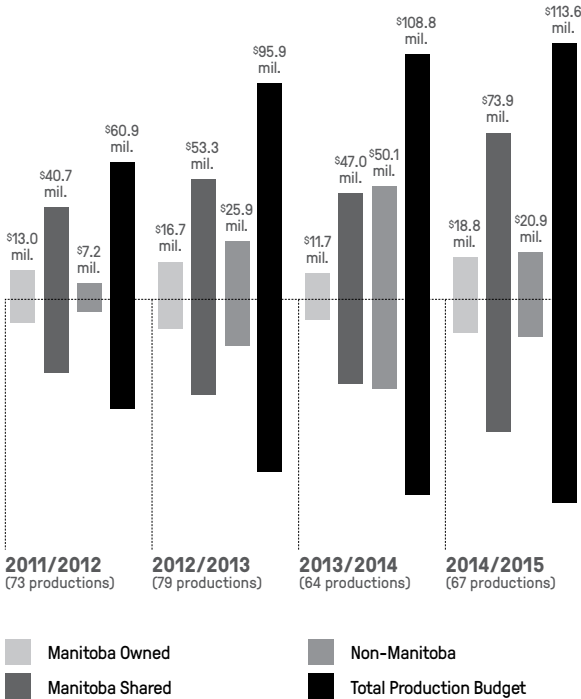
Nearly half of this \$113.6 million was spent in the province on employment and services. In more ways than one, the film and television industries are good for Manitoba.

This year, Manitoba invested in 13 feature films, 22 television series (including drama and documentary), and 32 other projects including short films and television specials. Out of these 67 projects, 39 were documentaries. This year MFM also received 103 scripts and hosted 12 companies who traveled to MB to scout for their projects.



FILM & TELEVISION PRODUCTION ACTIVITY

THE TOTAL PRODUCTION VALUE IN FISCAL 2014/2015 WAS \$113.6 MILLION



Note: These figures represent film and television production activity reported as of fiscal year ending March 31, 2015.

TAX CREDIT

Along with **Manitoba Film & Music's** equity financing, The Manitoba Film and Video Production Tax Credit is essential in attracting production to the province. Manitoba's generous tax credit is a key factor 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 104 tax credit applications were received during the fiscal year. This represents nearly \$174.6 million in 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	17	\$ 76.3
TV Series/Mini-Series	43	\$ 86.8
One-offs	39	\$ 6.3
Other	5	\$ 5.2
Totals	104	\$174.6

Note: The above figures reflect productions that filed tax credit applications in the 2014/2015 fiscal year. Not all were filmed during that period.



The Pinkertons

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 Film & Video 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 equity financing and estimated tax credit support totalling \$22.7 million, \$113.6 million in indigenous, co-production and foreign production activity occurred in this fiscal. This means that 80% of total investment came from other sources such as those listed in the above paragraph. Manitoba's modest investment continues to attract millions of dollars in 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, as well as the inclusion of Manitobans in key creative positions.

During the fiscal year, 13 new applications were approved for a total investment of \$1,824,775

PROJECT	APPLICANT
<i>A Warden's Ransom</i>	6884335 Manitoba Inc.
<i>Borealis</i>	Borealis Films Manitoba Inc.
<i>Devil's Gate</i>	Devil's Gate Manitoba The Movie Inc.
<i>Escape or Die!</i>	Escape or Die Season 1 Inc.
<i>Hyena Road</i>	Hyena Productions Inc.
<i>Losing Our Religion</i>	Perdere Media Inc.
<i>Run Ozzy Run</i>	BD Animation Inc.
<i>Sunnyside</i>	6950249 Manitoba Inc.
<i>The Pinkertons</i>	Pink Pictures Inc.
<i>Vietnam: Canada's Shadow War</i>	Vietnam Remembered Films Inc.
<i>Vitamins and Me</i>	Vitamin Films Inc.
<i>Wait till Helen Comes</i>	Wait Till MB Inc.
<i>Winnipeg Comedy Festival 2014</i>	WCF 2014 Productions Inc.



Borealis



The Pinkertons Set

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, 7 applications were approved for a total investment of \$111,810

PROJECT	APPLICANT
<i>Challenger Deep</i>	julijette Inc.
<i>Manitopia</i>	Buffalo Gal Pictures Inc.
<i>Ordinary Criminal</i>	Farpoint Films Inc.
<i>Red Nation Rising</i>	Eagle Vision Inc.
<i>Stegman is Dead</i>	julijette Inc.
<i>The Enchanter of Serpents</i>	Endstop & Elsewhere
<i>Untitled Frozen Twin Project</i>	Walking Down Broadway Ltd.

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, 4 applications were approved for a total investment of \$21,338

PROJECT	APPLICANT
<i>Backtrack America</i>	Past Perfect Productions Inc.
<i>Far from Ordinary</i>	Inferno Pictures Inc.
<i>Kid Diners</i>	Farpoint Films Inc.
<i>Killer Queen</i>	Frantic Manitoba Productions Inc.



A Warden's Ransom



Escape Or Die

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.
- 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, 6 applications were approved for a total investment of \$47,928

PROJECT	APPLICANT
<i>Ain't About the Money</i>	Konofilm Productions Inc.
<i>Black Rainbow</i>	Strata Studios
<i>Everything Turns, Everything Revolves</i>	Paper Plane Productions
<i>Intersection</i>	Theia Entertainment Inc.
<i>The Becoming</i>	Strata Studios
<i>Under a Cold War Sky</i>	Five Door Films 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, 5 applications were approved for a total investment of \$18,701

Project	Applicant
<i>A Good Madness - The Dance of Rachel Browne</i>	Ray Films Inc.
<i>Teen Lust</i>	Sacrificial Lamb Productions Inc.
<i>The Editor</i>	Kennedy/Brooks Inc.
<i>The Forbidden Room</i>	Buffalo Gal Pictures Inc.

“ The province’s support for the arts and the low cost of living in Manitoba allows me to make a career in music en anglais and in French. I am ever so grateful that my arts practice can thrive and that I can sing to my heart’s content with my base camp rooted right here in the prairies.

Jocelyne Baribeau
Singer/songwriter
(alter ego Madame Diva)



MUSIC IN MANITOBA

MFM exists so Manitoba's music industry flourishes! We achieve 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 \$509,000 in funding toward 130 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 by **MFM** based on project development plans, artist tracks records, touring schedules, strength of support team and distribution plans. There were over 200 applications to this year's music programs.

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

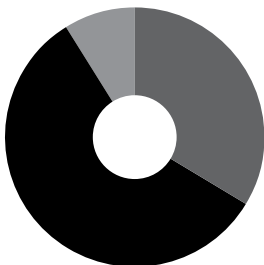


MUSIC PRODUCTION ACTIVITY

During the 2014/2015 fiscal year, **Manitoba Film & Music** provided \$509,000 in funding to 130 music projects including recording, touring, marketing and music video creation initiatives.

MFM provided \$196,721 toward 45 music and music video recording projects with total estimated budgets of over \$640,000.

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 indicates the crucial importance of **MFM's** investment in our local music recording industry.



FUNDING SOURCES FOR MUSIC ACTIVITY



MUSIC PROJECTS SUPPORTED

Manitoba Film & Music provided \$170,457 to 34 music recording projects during the fiscal year.

Music Recording Production Level 1

Charlotte Kosc	Petric
Ghost Twin	Rhia Rae
Indicator Indicator	Rod
Justin Lacroix	Slaughter
Kevin Roy	The Mariachi Ghost
Les Jupes	We Won the War
Marti and the Multiverse	Well Sister
Mike Swickis	Yes We Mystic
Namwira Folks	

Recording Artist Touring Support Program

This fund helps Manitoba musicians expand their audience base through touring. This year, \$235,149 supported 37 acts for a total of 791 shows.

Comeback Kid	Petric
Crooked Brothers	Propagandhi
Curtis Nowosad	Psychotic Gardening
Del Barber	Quinton Blair
Don Amero	Raine Hamilton
Eagle Lake Owls	Red Moon Road
Federal Lights	Royal Canoe
Greg MacPherson	Ruth Moody
J.P. Hoe	Sc Mira
Jess Reimer	Scott Nolan
Keith and Renee	Sweet Alibi
KEN mode	Take Me To The Pilot
Kevin Roy	The Bros Landreth
Last Ditch on the Left	The Duhks
Les Jupes	The Noble Thiefs
Little Miss Higgins	The Revival
Matt Epp	The Thrashers
Mobina Galore	Until Red
Naysa	



Les Jupes



Music Recording Production Level 2

Curtis Nowosad	Red Moon Road
Federal Lights	Sweet Alibi
Jocelyne Baribeau	The Noble Thiefs
Leanne Pearson	The Treble
Matt Epp	Until Red
Mise en Scene	Vampires
Mobina Galore	Will Bonness

Music Recording Production Level 3

J.P. Hoe	Royal Canoe
KEN mode	The Lytics



SC Mira

MUSIC PROJECTS SUPPORTED

(CONTINUED)



Record Product Marketing Support Program

This program provides support for the marketing and promotion of Manitoba recordings. This year, \$77,129 provided to 19 acts.

Alfa	Les Jupes
Crooked Brothers	Madame Diva
Curtis Nowosad	Mobina Galore
Doc Walker	Sc Mira
Flo	Steve Bell
Indicator Indicator	Take Me To The Pilot
J.P. Hoe	Tanya Tagaq
Jess Reimer	The Bros Landreth
Justin Lacroix Band	Thebahatizz
Keith and Renee	

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, \$26,264 was provided to 11 music acts through this program.

Chic Gamine	Les Jupes
Curtis Nowosad	Red Moon Road
Dangercat	Royal Canoe
Heartbeat City	Tanya Tagaq
Indicator Indicator	The Bros Landreth
J.P. Hoe	

Out-of-Province Artists Recording Production

Manitoba Film & Music also offers funding for out-of-province artists. This program is designed to increase business for the Manitoba music recording industry by providing assistance to non-Manitoba artists in their use of Manitoba recording studios, producers and/or management. There were no applications to this program in the fiscal year.

Music Business Development Fund

The objective of this program is to encourage the growth and development of competitive, sustainable and commercially viable companies within the Manitoba music industry by providing financial support for costs associated with increasing capacity, improving industry skill levels and developing infrastructure. This year, \$25,000 was provided to the following 2 companies.

Head in the Sand	Pipe & Hat
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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.

In the last fiscal year (2013/2014), **MFM** provided two years' worth of funding to the program at \$110,000 (\$55,000 each year).

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.

2014/2015 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 Chartered Professional Accountants of Canada, and ensuring that all information in the annual report is consistent with the financial 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.

June 10, 2015



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, 2015, 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 Chartered Professional Accountants of Canada, 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, 2015, 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
June 10, 2015



Chartered Accountants

**MANITOBA FILM & SOUND RECORDING
DEVELOPMENT CORPORATION****STATEMENT OF FINANCIAL POSITION**

As at March 31, 2015

	2015	2014
Assets		
Current		
Cash (Note 3)	1,403,379	1,511,581
Short-term investment (Note 4)	65,315	61,775
Accounts receivable	1,365	906
Prepaid expenses	59,703	52,914
	1,529,762	1,627,176
Capital assets (Note 5)	91,518	91,424
	1,621,280	1,718,600
Liabilities		
Current		
Accounts payable and accruals	176,790	179,739
Carry-over commitments (Note 6)	1,052,385	1,102,787
	1,229,175	1,282,526
Net Assets		
Invested in capital assets	91,518	91,424
Unrestricted	300,587	344,650
	392,105	436,074
	1,621,280	1,718,600

Approved on behalf of the Board



Director



Director

**MANITOBA FILM & SOUND RECORDING
DEVELOPMENT CORPORATION****STATEMENT OF OPERATIONS**

For the year ended March 31, 2015

	2015	2014
Revenues		
Province of Manitoba	3,865,600	3,865,600
Federal Film Screening Initiative	75,000	-
Other	21,297	14,588
	3,961,897	3,880,188
Expenses (Schedule 1)		
Corporate Services	223,987	216,833
Federal Film Screening Initiative	79,260	-
File Commission/Location Services	368,172	348,862
Film and Television Programs	2,059,553	1,944,992
Industry Support	200,550	302,215
Music Programs	534,000	551,800
Program Delivery - Film/Television, Tax Credits and Music Programs (Note 8)	710,731	695,149
	4,176,253	4,059,851
Excess of expenses over revenue before program recoupments	(214,356)	(179,663)
Program recoupments (Note 12)	170,387	151,289
Excess of expenses over revenue (Note 15)	(43,969)	(28,374)

**MANITOBA FILM & SOUND RECORDING
DEVELOPMENT CORPORATION****STATEMENT OF CHANGES IN NET ASSETS**

For the year ended March 31, 2015

	Invested in capital assets	Unrestricted	2015	2014
Net assets, beginning of year	91,424	344,650	436,074	464,448
Excess of expenses over revenue	(15,507)	(28,462)	(43,969)	(28,374)
Purchase of capital assets	15,601	(15,601)	-	-
Net assets, end of year	91,518	300,587	392,105	436,074

**MANITOBA FILM & SOUND RECORDING
DEVELOPMENT CORPORATION****STATEMENT OF CASH FLOWS**

For the year ended March 31, 2015

	2015	2014
Cash provided by (used for) the following activities		
Operating		
Excess of expenses over revenue	(43,969)	(28,374)
Amortization	15,507	15,368
	(28,462)	(13,006)
Changes in working capital accounts		
Accounts receivable	(459)	17,421
Prepaid expenses	(6,789)	879
Short-term investment	(3,540)	(61,775)
Accounts payable and accruals	(2,949)	73,696
Carry-over commitments	(50,402)	139,388
	(92,601)	156,603
Capital activity		
Purchase of capital assets	(15,601)	(7,544)
Increase (decrease) in cash resources	(108,202)	149,059
Cash resources, beginning of year	1,511,581	1,362,522
Cash resources, end of year	1,403,379	1,511,581

MANITOBA FILM & SOUND RECORDING DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2015

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 main 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 Chartered Professional Accountants of Canada, 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, 2015

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 non-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, 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 expenses over revenues 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 subsequently measured at fair value are immediately recognized in excess of expenses over revenue.

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 expenses over revenues 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 \$52,502 (2014 - \$49,072) 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 payments to eligible employees under the enhanced pension benefits plan for the year were \$nil (2014 - \$nil) and are 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. The Organization has internally designated its short-term investment (see Note 4) to meet its obligations for providing enhanced pension benefits to

**MANITOBA FILM & SOUND RECORDING
DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended March 31, 2015

eligible employees (see Note 11).

3. CASH

	2015	2014
Cash	350,994	408,794
Internally designated cash	1,052,385	1,102,787
	1,403,379	1,511,581

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 30, 2016, bearing interest at a rate of 0.80% per annum.

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2015 Net book value
Computer equipment	67,841	58,535	9,306
Equipment	10,042	8,077	1,965
Furniture and fixtures	59,211	57,048	2,163
Leasehold improvements	145,609	68,123	77,486
Website	28,663	28,065	598
	311,366	219,848	91,518

	Cost	Accumulated amortization	2014 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

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, 2015 and prior years, which were not fully advanced as at March 31, 2015 are as follows:

**MANITOBA FILM & SOUND RECORDING
DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended March 31, 2015

6. CARRY-OVER COMMITMENTS (CONTINUED FROM PREVIOUS PAGE)

	Year of Commitment			Total	
	2014-2015	2013-2014	2012-2013 & older	2015	2014
Development Financing Programs	43,115	14,860	-402	57,573	123,823
Production Financing Programs	640,116	73,977	71,250	785,343	775,747
Emerging Talent Matching Funds	9,478	1,410	-	10,888	14,472
Feature Film Marketing Program	2,100	-	-	2,100	7,500
Access to Markets/Festivals	5,000	-	-	5,000	5,000
Industry Support	-	-	-	-	2,500
	699,809	90,247	70,848	860,904	929,042
Sound Recording Production Fund Level 1	5,600	800	-	6,400	7,200
Sound Recording Production Fund Level 2	47,900	15,400	2,650	65,950	73,775
Sound Recording Production Fund Level 3	29,036	8,000	-	37,036	22,375
Music Video Fund	4,985	-	-	4,985	950
Record Product Marketing Fund	28,515	1,250	-	29,765	25,268
Recording Artist Touring Fund	28,545	300	-	28,845	33,177
Music Business Development Fund	7,500	-	-	7,500	-
Market Access Fund	11,000	-	-	11,000	11,000
	163,081	25,750	2,650	191,481	173,745
Total Commitments:	862,890	115,997	73,498	1,052,385	1,102,787

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 November 2019. Future minimum annual payments are as follows:

2016	79,393
2017	73,670
2018	76,926
2019	23,743
2020	568
	254,300

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 104 applications were received for processing during the 2015 fiscal year (2014 - 119). This represents production activity for projects which took place in the current and prior years, in excess of \$174 million worth of production activity (2014 - \$136 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 \$110,486 (2014 - \$88,302).

**MANITOBA FILM & SOUND RECORDING
DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended March 31, 2015

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:

	2015	2014
Invested in capital assets	91,518	91,424
Unrestricted net assets	300,587	344,650
	392,105	436,074

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, 2013. Information about the Organization's enhanced pension benefit plan is as follows:

	2015	2014
Enhanced pension obligation		
Balance, beginning of year	61,775	36,324
Current service costs	5,069	3,252
Interest cost	3,937	2,315
Effect of changes in assumptions	908	-
Experience (gain) loss and transitional adjustment	(6,374)	19,884
Balance, end of year	65,315	61,775
Enhanced pension expense consists of the following:		
Current service cost	5,069	3,252
Interest cost	3,937	2,315
Effect of changes in assumptions	908	-
Experience (gain) loss and transitional adjustment	(6,374)	19,884
Balance, end of year	3,540	25,451
Significant actuarial assumptions:		
Discount rate	6.00%	6.00%
Rate of compensation increase	3.75%	3.75%

12. PROGRAM RECOUPMENTS

During the year the Organization received \$5,686 (2014 - \$2,481) 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.

**MANITOBA FILM & SOUND RECORDING
DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended March 31, 2015

14. ECONOMIC DEPENDENCE

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

15. 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, 2015

	2015	2014
Corporate Services		
Salaries	144,387	144,806
Operating	79,600	72,027
	223,987	216,833
Federal Film Screening Initiative	79,260	-
Film Commission/Location Services	368,172	348,862
Film and Television Programs		
Development Funding	133,149	250,201
Production Financing	1,854,089	1,647,083
Emerging Talent Matching Funds	47,928	38,806
Feature Film Marketing	18,701	6,421
Jump Start	5,686	2,481
	2,059,553	1,944,992
Industry Support		
Film industry associations	50,000	50,000
Film sponsorships/partnerships	45,700	47,365
Music industry associations	75,000	185,000
Music sponsorships/partnerships	29,850	19,850
	200,550	302,215
Music Programs		
Music Recording Production Levels 1-3	170,458	169,492
Music Business Development Fund	25,000	-
Music Video	26,264	9,306
Record Product Marketing Support	77,129	109,459
Recording Artist Touring Support	235,149	263,543
	534,000	551,800
Program Delivery - Film/Television, Tax Credits and Music		
Salaries	492,507	501,279
Operating	218,224	193,870
	710,731	695,149
Total expenses	4,176,253	4,059,851