

**FILM
RESILIENT
RESOURCES
ADAPTABLE
SHIFT
PRODUCTION
SUSTAINABLE
PIVOT
INNOVATE**

**MANITOBA FILM
& MUSIC**

**ANNUAL
REPORT
2020/2021**

**MUSIC
DIVERSITY
FUNDING
DEVELOPMENT
PARTNERSHIPS
INFRASTRUCTURE
SUPPORT
INVEST
OPPORTUNITIES**





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Blood, photo by Eric Zachanowich, © Rhea Films

LETTER OF TRANSMITTAL

Dear Minister Cox,

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, 2021.

Respectfully submitted,

Dan Donahue

BY THE NUMBERS

FILM

Business generated
for 19 Manitoba
production companies

Manitoba actors
accounted for
70% of total
Canadian cast

**Over 1,000 shooting
days in Manitoba**, of
which 40% (401 days)
occurred in
28 rural locations

**10 Made-in-Manitoba
movies**

- 70% Manitoba cinematographers
- 60% Manitoba directors
- 60% Manitoba editors
- 40% Manitoba composers

61 productions
Ownership is
49% Manitoban/
48% international/
3% shared

290 hours of content
produced

MUSIC

923 days of
employment for
280 Manitobans

16 award
nominations,
three wins

Business generated
for **21 Manitoba
studios**

34 artists
supported
through online
concerts

**102 companies
funded**



// Manitoba Film & Music's assistance has helped us in different areas of our career, be it touring, recording, marketing or online development.

We think that Manitoba Film & Music funding is crucial to local musicians, and

**A VITAL RESOURCE
TO AID IN SHOULDERING
THE OFTEN ASTRONOMICAL
COSTS OF PURSUING
A CAREER IN MUSIC."**

– SUPER DUTY TOUGH WORK



MESSAGE FROM THE CHAIRPERSON



Manitoba Film & Music rallied around measures that would support the film and music industries in Manitoba to keep going.

There is no doubt that the past year has been a difficult one for people and organizations here at home and around the world. However, COVID-19 demonstrated how adaptable, tenacious and resilient we can be, as individuals and as film and music industries.

The resiliency demonstrated by the music community and the film production industry reflected an unwavering commitment to survive the conditions and that required compromise in order to adapt. Whether it was bands playing remotely together under challenging circumstances or TV shows finishing live action series with animation, professionals did what it took to get the job done. In my role as Chairperson of the Board of Directors, I am proud to say that Manitoba Film & Music demonstrated this same resilience to adapt its operations and services seamlessly to support its clients and the film and music industries. Showing a true commitment to those who rely on the agency as a leader in the film and music industries, the organization moved quickly when the lockdown began to adapt current programs to best fit the needs of the creative community.

The entire team also recognized the importance of working with partners to strengthen the relationships necessary to advance opportunities despite the uncertainty that lay ahead—confident that things would work out because they must. Working with the Government of Manitoba, the City of Winnipeg, industry associations and the industry at large, Manitoba Film & Music rallied around measures

that would support the film and music industries in Manitoba to keep going, in whatever form was possible. This dynamic will prove to be ever more significant in the months and years to come as we forge ahead in the new creative landscape that has emerged in a post-pandemic world.

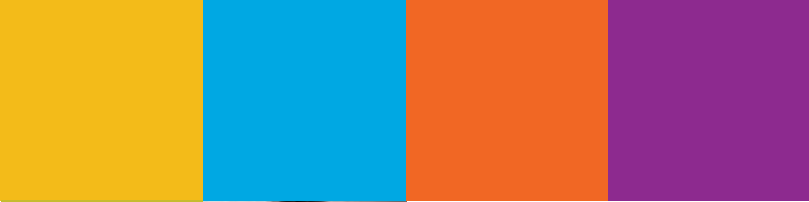
As we do this, we must remember that creativity comes in many forms. We often think that creativity is only found in those in the artistic fields but, often, those of us who consider ourselves the least creative prove to possess an agility and inventiveness of mind that we only need to employ. It is time now to step outside that box and reinvent the way we do things—keep what is working and re-develop what is not. Look for new opportunities in a resilient industry. Stay strong and remain flexible in moving forward. With Manitoba Film & Music at the helm, I am confident it can only be so.

Dan Donahue





FROM LEFT: Kevin Donnelly, Bonnie Staples-Lyon, Dan Donahue and Debbie Schween



Rod Bruinooge

BOARD OF DIRECTORS

Dan Donahue
Chair

Rod Bruinooge
Vice-Chair

Kevin Donnelly

Debbie Schween

Bonnie Staples-Lyon

MESSAGE FROM THE CEO



Adversity was met with resilience and innovation by our team, our clients and our industry.

The social and commercial adaptation necessitated by the pandemic may have been initially envisioned as temporary measures, but many of those changes are here to stay.

What have we learned? Storytellers, be they in the form of songwriters or screenwriters, help us make sense of a world in chaos. The creative industries are not a luxury but an essential means of communication, whether it is for imparting critical information, encouraging compliance to mitigate transmission, delivering concerts in a way that recreates a sense of community, producing content to keep people engaged or creating narratives for commercial productions that will resonate with audiences. Without the creative industries, the isolation of the pandemic would have been exponentially worse.

As a film commission and a funding agency, we challenged ourselves to meet the moment and reinvent our music programs to underwrite online concerts in lieu of touring and, in film, to capitalize on being in lockdown by ramping up investment in development for future production. Our goal was simple: Support creative entrepreneurs to ensure they would survive

and be positioned to thrive in a post-pandemic world.

I want to thank our film and music teams for their innovation; our Board of Directors for supporting dynamic program changes in record time; and our partners at the Department of Sport, Culture and Heritage; the City of Winnipeg; Manitoba Music and On Screen Manitoba as well as the industry at large for the collaborative teamwork that enabled transformative change during this past year.

It is with this spirit that we focus on the year ahead, working to grow Manitoba's infrastructure, further develop our workforce and bolster our film and music industries as they re-emerge stronger and more vibrant in 2021.

Rachel Rusen



MANITOBA FILM & MUSIC TEAM

Rachel Rusen

CEO & Film Commissioner

Kevin Gabriel

Director, Finance & Administration

Janice Tober (since Dec. 2020)

Director, Communications & Marketing

Stephen Carroll

Director, Music Programs

Louise O'Brien-Moran

Director, Film Financing, Tax Credits
& Film Commission Services

Brian Clasper

Associate Director, Film
Programs & Tax Credits

Andrew Gallinger

Manager, Film Commission Services

Nikhilesh Mehra

Media Tax Credit & Development Analyst

Tyson Poshtar (since Dec. 2020)

Associate, Film & Video
Production Support

Bonnie Seidel


Coordinator, Music Programs

Jessica Cuddy

Executive Assistant



FILM



WHAT WE DO

MARKET

Manitoba globally as a film destination by creating awareness of incentives, talent, technical expertise, infrastructure and track record

MANAGE

Incentives and funding programs to support development and productions by Manitoba producers

RESPOND

as the first point of contact for productions, by providing expertise in physical production, locations, tax credit incentives and infrastructure

SECURE

productions that employ Manitobans, utilize Manitoba suppliers and fuel the provincial economy

MOTIVATE

decision-makers at studios and networks to consider Manitoba and ensure Manitoba remains front of mind

ATTRACT

co-production opportunities for Manitoba producers

STEWARD

the deeming provision by collaborating with unions, guilds, productions and production companies



**STIMULATES
INWARD
INVESTMENT
TO MANITOBA**



**INCREASED PROFILE
FOR THE PROVINCE
OF MANITOBA,
CREATIVE INDUSTRIES
& ARTISTS**

MUSIC

WHAT WE DO

PROMOTE

Manitoba talent, facilities, technical skills and programs

SUPPORT

the Manitoba music industry that creates jobs, intellectual property, cultural value and fuels the provincial economy

DELIVER

key funding programs

COLLABORATE

with industry partners on training to respond to labour demands and industry needs

ADVOCATE

on key industry topics

LEVERAGE

artistic achievements that enrich Manitoba's musical culture

MOVING WITH THE TIMES

FILM

1 Innovative problem-solving

Manitoba Film & Music, with support from the provincial government, secured a temporary change in legislation to protect Manitoba production companies from losing their frequent filmer status due to lockdowns by pausing the clock on eligibility status. This brought relief to local producers, gave assurance to international producers with whom they partner, and provided stability during uncertain times.

2 Quickly rewrote programs

Manitoba Film & Music responded to producers' inability to work in live production by rewriting our programs less than two weeks after the first lockdown began. We moved to online scouting and introduced our first ever podcast funding program.

3 Shifted resources

The film industry was immediately impacted by the pandemic. However, we very quickly adapted our film funding programs to direct unprecedented resources to development. Through this measure, Manitoba Film & Music ensured that the local film industry could keep working through an investment in content creation and original works by Manitoba producers and writers.





Don Amero

MUSIC

1 A new program for a new reality

The pandemic abruptly shut down the live music business and impacted the livelihoods of many Manitoba musicians and music companies. Manitoba Film & Music quickly pivoted its tour program to accept applications for online concerts. This program funded 94 individual concerts that provided valuable income during the various phases of lockdown and the concerts became tools for the artists to promote current releases and stay connected with their fans across the globe.

2 Levelling up

Manitoba Film & Music opened its Music Business Development Program to accept applications from emerging companies and music presenters. These resources were accessed by companies such as The Park Theatre to upgrade its facilities during the shutdown. We also introduced a new tier to our recording programs. The Preproduction Level was designed to let musicians create new works while in lockdown. This program was successful, with 36 applications received and funding provided for 22 projects.

3 Giving more

We increased our contribution levels in the recording program to support not only the recording studios, but also the artists. We also quickly modified our guidelines to ensure that our programs were tailored to meet the current needs of the industry, such as allowing portions of recordings to be done at home while in partnership with an accredited studio or producer. By providing increased access to capital and allowing for a more lenient framework to secure funding, we had a record-setting year for our Music Recording Production Fund, which saw 139 applicants, a 130% increase over the previous year.

COLLABORATION IS KEY

Strong partnerships are necessary to keep our industries' growing.

We work shoulder to shoulder with industry associations, public and private funders and the respective academies to advocate for our collective clients during the pandemic.

**ACADEMY OF CANADIAN
CINEMA AND TELEVISION**

**ASSOCIATION OF PROVINCIAL
AND TERRITORIAL
FUNDING AGENCIES**

BLACK SCREEN OFFICE

**CANADIAN INDEPENDENT
MUSIC ASSOCIATION**

CANADA MEDIA FUND

**CANADIAN MEDIA
PRODUCERS ASSOCIATION**

**CANADIAN ACADEMY OF
RECORDING ARTS AND
SCIENCES (CARAS)**

INDIGENOUS SCREEN OFFICE

NATIONAL SCREEN INSTITUTE

TELEFILM CANADA

THE HAROLD GREENBERG FUND

Locally, we engage our provincial, civic, and municipal colleagues when securing urban and rural shooting locations as well as union representatives and our provincial training organization to address labour demands. Equally important are industry associations who work on behalf of their members, many of whom are clients through our programs.

ACTRA MANITOBA

**CITY OF WINNIPEG,
FILM AND SPECIAL EVENTS**

DOC MANITOBA

DGC MANITOBA

FILM TRAINING MANITOBA

I.A.T.S.E. 856

I.C.G. 669

INDIGENOUS FILM COLLECTIVE

MANITOBA MUSIC

ON SCREEN MANITOBA

**DEPARTMENT OF SPORT,
CULTURE AND HERITAGE**

WINNIPEG FILM GROUP



Burden of Truth, Season 4, photo by Shauna Townley

FESTIVALS • SUMMITS • AWARDS • SPONSORSHIPS

SUPPORTED

FILM	MUSIC
All Access – On Screen Manitoba	BreakOut West
IndigiDocs – National Screen Institute (NSI)	TD Winnipeg International Jazz Festival
CBC New Indigenous Voices (NSI)	Manitoba Live Sessions
New Northern Voices (NSI)	Manitoba Music Indigenous Music Development Program
Indigenous Film Summit	Access to Markets & Festivals— Manitoba Music
Gimli Film Festival	
PrimeTime – Canadian Media Producers Association	
First Film, Production and Marketing Fund – Winnipeg Film Group	

FILM AND TELEVISION HIGHLIGHTS

You need to know where to look: Finding new opportunities

FILM

1 Adversity galvanized development

After reconfiguring our programs to move more resources to development with greater flexibility, we invested in 100% more projects (24 in 2020 versus 12 in 2019) and supported nine different companies for 12 dramatic series, two children's series, eight dramatic feature films and two documentary series plus invested in the careers of 17 different Manitoba writers, of whom nearly a third were female. Investing in the professional development of Manitoba writers on local projects helps ensure that, if these projects are realized, we will see the development of writers' rooms in Manitoba, which will further encourage expansion and collaboration. Moreover, the diversity of voices bringing fresh stories to the screen generates a curiosity about Manitoba that fuels the profile of our province.



2 Border boundaries elevated local opportunities

When the first lockdown ended in June, an unpredictable pandemic and the measures taken to keep people safe deterred foreign location shooting. Canadian productions and those with Canadian offices were the first to resume. The most agile productions were those that could also cast predominantly local talent.

We saw two Manitoba directors on a primetime dramatic series, *Burden of Truth*, including Madison Thomas, whose career is exploding as a writer, director and producer. As well, the number of local directors of photography increased, with 13 cinematographers engaged on various French and English productions. And Manitoba editors gained opportunities, with 15 different individuals securing positions in post-production, primarily in factual series and shorts.

3 Diverse voices shaped the creative class of 2020

Reflecting Manitoba's diversity has long been a part of Manitoba Film & Music's ethos. For more than 15 years we have invested in the development of Indigenous talent through our partnership with the National Screen Institute on IndigiDocs, CBC New Indigenous Voices and other programs. As part of our sponsorship of the 2020 Indigenous Film Summit, Manitoba Film & Music collaborated with the Indigenous Film Collective to deliver professional development workshops aimed at above-the-line talent.

Through our partnership with the Harold Greenberg Fund, three talented teams were chosen based on fresh, dynamic and well-presented short film proposals that represent an explosion of talent from Manitoba's Asian community. Success stories from last year's recipients include Ritvick Mehra's *Lover Boy's Little Dream* being selected for Telefilm's Perspective Canada at the 2021 Cannes Film Festival.

Orphan: First Kill, photo by Victor Moyers

4 Animation draws talent

The animation industry in the province proved to be more than just a pandemic-proof sector. It shows steady and significant growth and continues to attract talent to the province in order to increase capacity in the sector. The animation field has doubled its labour force while, at the same time, is providing career opportunities for recent local graduates.

5 New infrastructure, new players, new opportunities

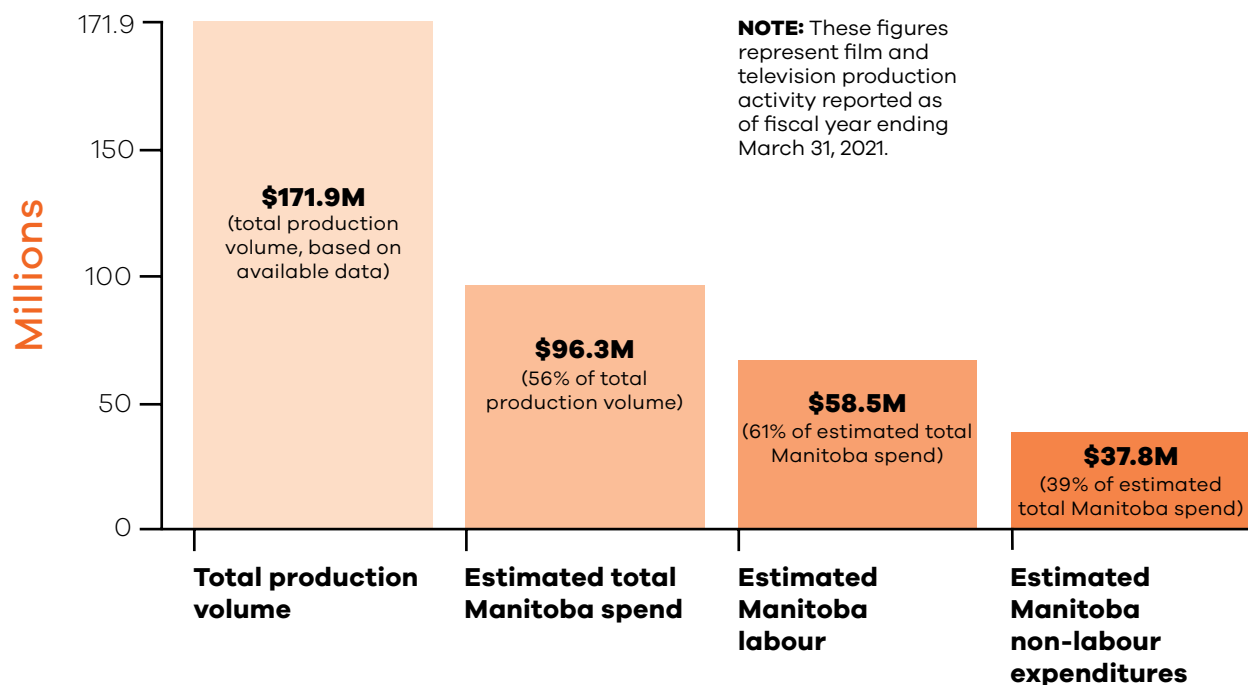
Many in the industry used their forced downtime to consider what comes after COVID-19. In 2020, we had much interest from suppliers looking to expand to Manitoba and recently saw the opening of Big Sky Studios, a dynamic addition to Manitoba's film infrastructure that will enable the province to increase its production capacity by providing a sound stage, production offices and support services.

Chroma Ranch, integral to the filming of productions such as *The Ice Road* with Liam Neeson and Laurence Fishburne, also added a large chroma dome to complement its existing facilities.



FILM AND TELEVISION PRODUCTION ACTIVITY

To March 31, 2021



Fiscal year 2020/2021

Number of screen-based projects shot in Manitoba:
61 projects (based on qualifiers above)

MANITOBA FILM COMMISSION

In its role as the Manitoba Film Commission, Manitoba Film & Music has been a member of the Association of Film Commissioners International (AFCI) for more than 25 years and serves as the first point of contact for film inquiries to the province. Despite the pandemic, fiscal year 2020/2021 proved to be busier than ever, with the film commission fielding 375 total inquiries (a 35% increase from the previous year) and providing 175 location packages for clients, representing a 25% increase from 2019/2020. The Commission's location services include script breakdown, location scouting and, this past year, helping productions navigate challenges particular to shooting during the pandemic.

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 and provides Manitoba production companies with a critical financial instrument to produce their own content and secure production agreements. Manitoba's competitive tax credit is a key factor in our ability to create local employment opportunities and significant economic investment. In the fiscal year 2020/2021, Manitoba issued 27 Part As, 16 Advances and 76 Part Bs, for a total of 119 tax credit certificates issued. This represents a decrease of 23% from the prior year, which is not surprising due to the lockdown.

A total of 128 projects submitted tax credit applications during the fiscal year, representing \$356.5 million in production activity.

Eligible Productions have up to 30 months after the end of the taxation year in which principal photography began for Manitoba Film & Music to receive the respective tax credit application. Consequently, tax credit applications are not necessarily processed in the same fiscal year that production took place, which results in the discrepancy between the stated production volume for a fiscal year and the stated value of productions for tax credits processed in a given fiscal year.

PROJECTS THAT HAVE SUBMITTED TAX CREDIT APPLICATIONS IN 2020/2021 FISCAL YEAR

	NUMBER OF PROJECTS	TOTAL PROJECT BUDGETS (IN MILLIONS)
Feature Films	16	\$54.2
TV Series/Miniseries	74	\$250
One-Offs	19	\$6
Others	19	\$46.3
TOTAL	128	\$356.5

FILM & TELEVISION PROJECTS SUPPORTED

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

During the fiscal year, 11 applications were approved for a total investment of **\$1,488,552**.
The combined budget for these projects totaled **\$67,106,186**.

APPLICANT	PROJECT	FUNDING
Merit Motion Pictures Inc.	A Prairie Boy's Winter	\$ 21,200
Cause Four Manitoba Productions Inc.	Burden of Truth – Season 4	\$ 440,000
CSK Season 2 Inc.	Cruise Ship Killers – Season 2	\$ 75,000
Farpoint Films Inc.	Disaster Deja Vu	\$ 85,000
Big Lake Vet 4 Films Inc.	Dr. Keri: Prairie Vet – Season 4	\$ 48,336
Merit Motion Pictures Inc.	Everest Dark	\$ 55,000
Eagle Vision Inc.	Finality of Dusk	\$ 139,770
6801260 Manitoba Inc.	Fred Penner: This Is My World	\$ 22,500
Les Productions FP 2 Inc.	Hors Québec – Season 2	\$ 75,000
Ice Vikings Season 2 Inc.	Ice Vikings – Season 2	\$ 100,000
Prairie Porter Inc.	The Porter	\$ 426,746

Burden of Truth, Season 4,
photo by Shauna Townley



Burden of Truth, Season 4,
photo by Shauna Townley



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

During the fiscal year, 11 applications were approved for a total investment of **\$97,459**.
The combined budget for these projects totaled **\$508,201**.

APPLICANT	PROJECT	FUNDING
Buffalo Gal Pictures Inc.	A Young Man Slept In	\$ 9,800
Canoe Rouge Inc.	Aime Ton Corps!	\$ 4,650
Eagle Vision Inc.	Jane Garbage	\$ 6,700
Julijette Productions Inc.	Nightingale	\$ 13,000
Julijette Productions Inc.	Polarized	\$ 15,000
Farpoint Films Inc.	Roller City	\$ 5,009
Buffalo Gal Media Inc.	The Blue Castle	\$ 15,000
Buffalo Gal Pictures Development Inc.	The Evening Chorus	\$ 10,000
Buffalo Gal Pictures Inc.	The Fruit Machine	\$ 4,300
Blue Prairie Productions Ltd.	The Homing	\$ 8,000
Eagle Vision Inc.	The Rush	\$ 6,000

Pilot Podcast Production Fund

During the fiscal year, two applications were approved for a total investment of **\$80,000**.
The combined budget for these projects totaled **\$297,152**.

APPLICANT	PROJECT	FUNDING
Eagle Vision Inc.	The Waite List	\$ 40,000
Eagle Vision Inc.	What Does It Take?	\$ 40,000

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

During the fiscal year, 13 applications were approved for a total investment of **\$92,942**.

The combined budget for these projects totaled **\$316,235**.

APPLICANT	PROJECT	FUNDING
Eagle Vision Inc.	ACCESS	\$ 6,262
Julijette Inc.	Bently Bike	\$ 8,000
Frantic Manitoba Productions Inc.	Blood and Powder	\$ 8,000
Farpoint Films Inc.	Dyatlov	\$ 8,000
Blue Prairie Productions Ltd.	In Valhalla's Shadows	\$ 8,264
Zoot Pictures Inc.	Katy's Corner	\$ 5,000
Kistikan Pictures Inc.	Lucky at War	\$ 8,000
Black Watch Entertainment Inc.	Pros of Cons	\$ 7,000
4Head Films Inc.	Soundscapes	\$ 5,000
Eagle Vision Inc.	Stevie and the Sacred Animals	\$ 5,219
Original Pictures Manitoba Inc.	The Long Carry	\$ 6,197
10028866 Manitoba Ltd.	The New Fame	\$ 9,000
10028866 Manitoba Ltd.	When We Fly	\$ 9,000

Access to Markets and Festivals

During the fiscal year, two applications were approved for a total investment of **\$857**.

The combined budget for these projects totaled **\$1,142**.

APPLICANT	PROJECT	FUNDING
Zellco Entertainment Inc.	Virtual Berlinale and European Film Market	\$ 107
Jessica Landry	Virtual Whistler Film Festival Content Summit	\$ 750

"It has been an absolute joy to have co-produced four seasons of *Burden of Truth* with Manitoba's own Eagle Vision. **The talent of the cast and crews, the support from Manitoba Film & Music, as well as the people of Manitoba, was overwhelming and such a wonderful, happy experience.** We would jump at any opportunity to shoot in Manitoba in the future."

**- JOCELYN HAMILTON
PRESIDENT, CANADA - EONE TELEVISION**

Grant Program for Emerging Talent and Micro-Budget Production

During the fiscal year, eight applications were approved for a total investment of **\$71,750**. The combined budget for these projects totaled **\$537,211**.

APPLICANT	PROJECT	FUNDING
Joanne Roberts	Anak	\$ 4,800
Erin Hembrador	Container	\$ 7,000
Forest School Productions Inc.	Forest School	\$ 9,950
Sugar Films Inc.	Intersection	\$ 10,000
Aaron Zeghers	Possible Worlds	\$ 10,000
Harold Greenberg Fund/Manitoba Shorts Program		
U 'N I Together Productions	Knots	\$ 10,000
Hydraulic Content Ltd.	METAMORPHOSIS	\$ 10,000
10091460 Manitoba Ltd.	My Son Went Quiet	\$ 10,000

Feature Film Marketing Fund

During the fiscal year, one application was approved for a total investment of **\$8,000**.

APPLICANT	PROJECT	FUNDING
Strike! Movie Manitoba Corp.	Stand!	\$ 8,000





“ The experience of shooting Entertainment One and Dark Castle Entertainment's movie, *Orphan: First Kill*, in Winnipeg was exceptional. Despite working during the pandemic, we still had the most amazing crew and cast from throughout the province.

**THE SUPPORT FROM
MANITOBA FILM & MUSIC
WAS ESSENTIAL TO OUR
SUCCESS, AND WE ARE SO
GRATEFUL TO MANITOBANS
FOR THEIR SUPPORT ON
THE FILM.**

We are very excited to return to the province with another project.”

**- VICTOR MOYERS,
EXECUTIVE PRODUCER,
*ORPHAN: FIRST KILL***

MUSIC HIGHLIGHTS

Keep on keeping on: Remaining resilient throughout 2020

1 Record levels for program subscription

Manitoba Film & Music saw exceptional demand on its music recording program in 2020 with 139 applications received. This is a 79% increase over the average of the past six years. The funding provided by Manitoba Film & Music meant that studios and artists could remain productive during the pandemic. It also provided the early investment needed to create valuable intellectual property.

2 The power of partnerships

With live touring and in-person concerts cancelled mid-March, Manitoba Film & Music partnered with Manitoba Music to create *Manitoba Live*, a series of online concerts highlighting the best in local music, one of the first initiatives of its kind in Canada. These concerts served as a stop gap measure to allow artists to secure paid avenues for music presentation. The concerts were broadcast via Manitoba Music's and Manitoba Film & Music's social media outlets, giving artists a greater reach to build new audiences. The concerts had excellent uptake, with the 12 concerts securing almost 70,000 views and total engagement of close to 6,000.





3 Artists move online

As musical artists moved to online performances, the tremendous ingenuity of Manitoba talent was shared with audiences. Rayannah's self-produced set for *Manitoba Live*, for instance, saw her use voice, breath, synthesizer and lighting to raise the art of virtual performance. Country artist Don Amero played two holiday concerts online: one for Christmas and one for Valentine's Day. Duo Mise en Scene secured a private performance put on by an Australian radio station and William Prince, folk/country singer-songwriter, performed as part of the JUNO Awards virtual event.

4 Funded band's star shines bright

Manitoba Film & Music funded the Polaris-nominated album, *Studies in Grey* by Super Duty Tough Work. Through a series of virtual concerts and innovative content creation, the band used the positive momentum from their nomination to continue their upward trajectory, connecting with new fans and industry. Over the course of the year, they attracted new business partners, including a manager (Manitoba), record label (Canada/global) and German business consultant and PR team.

5 Can't get enough Birthday Cake

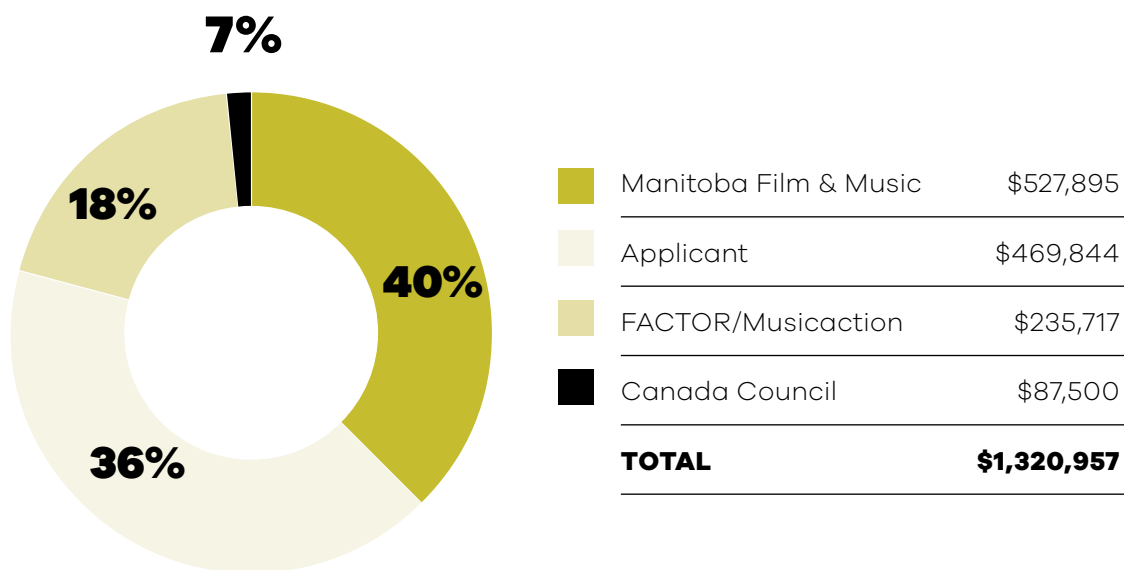
Record label and music publisher, Birthday Cake Media, demonstrated that there is an enormous appetite for Manitoba music. The team created four new full-time music industry jobs in 2020 with three being in Manitoba. They signed five new artists under the Birthday Cake banner: Field Guide, Leith Ross, Mariel Buckley, Michael Bernard Fitzgerald and Mouraine, and now handle publishing for 15 artists which encapsulates 500 copyrights. The company also garnered two industry award nominations at the Western Canadian Music Awards and the label's 30 artists secured 12 artist award nominations. They saw, too, the first JUNO nomination for an album, Begonia's *Fear*.

MUSIC PRODUCTION ACTIVITY

During the 2020/2021 fiscal year, Manitoba Film & Music provided **\$537,895** toward 175 applications, including recording, touring and online concerts, marketing and music video creation. Of these, 30 applicants self-identified as Francophone, 39 as Indigenous and 33 as cultural minorities.

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.

FUNDING SOURCES



MUSIC PROJECTS SUPPORTED

Music Recording Production Fund, Preproduction

Manitoba Film & Music added a new level to its Music Recording Production Fund to further support artists at the earliest stages of development.

Through the Preproduction tier, we supported 21 artists by providing **\$31,500** in funding during the fiscal year.

Manitoba Film & Music provided **\$253,500** to 39 Level 1, 2 and 3 music recording projects during the fiscal year, with combined project budgets totaling **\$736,850**.

PREPRODUCTION	
ARTIST	FUNDING
Andrina Turenne	\$ 1,500
Comeback Kid	\$ 1,500
housepanther	\$ 1,500
KEN mode	\$ 1,500
Laura Lucas	\$ 1,500
Living Hour	\$ 1,500
Logan McKillop	\$ 1,500
Madeleine Roger	\$ 1,500
Matt Foster	\$ 1,500
Mise en Scene	\$ 1,500
Paul Bergman	\$ 1,500
Renard	\$ 1,500
Sheena Rattai	\$ 1,500
Sierra Noble	\$ 1,500
Skylar Bouchard	\$ 1,500
Super Duty Tough Work	\$ 1,500
The New Customs	\$ 1,500
Tunic	\$ 1,500
Viva Non	\$ 1,500
Warming	\$ 1,500
Yes We Mystic	\$ 1,500



Music Recording Production Fund, Levels 1, 2 and 3

LEVEL 1	
ARTIST	FUNDING
Amos the Kid	\$ 3,000
Danielle Savard	\$ 3,000
Danny Carroll	\$ 2,750
Emma Peterson	\$ 3,000
Fontine	\$ 3,000
Fowler	\$ 3,000
Glassreel	\$ 3,000
Ivory Waves	\$ 3,000
Jacob Brodovsky	\$ 3,000
Jess Rae Ayre	\$ 3,000
jonny moonbeam	\$ 3,000
Low Budget Rock Star	\$ 3,000
MOSA	\$ 2,500
Paul Bergman	\$ 2,000
Petric	\$ 3,000
Rayannah	\$ 2,500
Sports Club	\$ 2,000
The Sorels	\$ 3,000
Trampoline	\$ 3,000
Tyler Del Pino	\$ 2,750
Virgo Rising	\$ 3,000
Yaadies	\$ 3,000

LEVEL 2	
ARTIST	FUNDING
Anthony OKS	\$ 8,000
Apollo Suns	\$ 10,000
Del Barber	\$ 10,000
Derrick Gardner	\$ 10,000
Gully	\$ 10,000
Jocelyne Baribeau	\$ 10,000
Jolene Higgins	\$ 10,000
Living Hour	\$ 10,000
Micah Erenberg	\$ 9,000
Noah Derksen	\$ 10,000
Renee Lamoureux	\$ 8,000
Sebastian Gaskin	\$ 10,000
Those Who Walk Away	\$ 10,000



Sebastian Gaskin



// It was a tremendous year of growth for Birthday Cake. Manitoba Film & Music supported our ambitions to **increase our capacity, create local industry jobs and to provide export opportunities to Manitoba-based musicians.** The ongoing guidance and financial support we receive from Manitoba Film & Music is instrumental in helping us achieve our goals and reach a level of sustainability that will benefit the local music industry for years to come. **Thanks so much! //**

- STU ANDERSON, BIRTHDAY CAKE MEDIA

LEVEL 3	
ARTIST	FUNDING
Begonia	\$ 19,000
Comeback Kid	\$ 16,000
KEN mode	\$ 14,000
The Bros Landreth	\$ 17,000

Recording Artist Touring and Online Concert Support Program

As touring was halted in 2020, Manitoba Film & Music shifted its touring program to support a series of online concerts. In total, **\$67,350** was given to 38 artists for 54 online projects.

ACT	FUNDING
Apollo Suns	\$ 5,000
Boniface	\$ 3,750
Desiree Dorion	\$ 500
Don Amero	\$ 3,400
Eagle and Hawk	\$ 500
Efflo	\$ 500
El Leon and the Strangers	\$ 1,500
Field Guide	\$ 2,300
Ila Barker	\$ 500
JayWood	\$ 1,500
Jeannine Guyot	\$ 1,300
jonny moonbeam	\$ 1,000
Kelly Bado	\$ 5,000
Kenzie Jane	\$ 1,300
Kris Ulrich	\$ 1,500
Len Bowen	\$ 500
Living Hour	\$ 1,500
Low Budget Rock Star	\$ 2,700
Madame Diva	\$ 3,900
Matty Stecks and Musical Tramps	\$ 1,000
Micah Erenberg	\$ 1,000



Rayannah



William Prince, photo by Joey Senft

ACT	FUNDING
Mister K	\$ 500
Mobina Galore	\$ 1,000
Noah Derksen	\$ 500
Northern Royals	\$ 1,800
Raine Hamilton	\$ 1,100
Rayannah	\$ 2,500
Red Moon Road	\$ 1,800
Sala	\$ 1,100

ACT	FUNDING
Scott Nolan	\$ 1,500
Screaming at Traffic	\$ 700
Sebastian Gaskin	\$ 2,500
Sierra Noble	\$ 500
Slow Leaves	\$ 2,500
Super Duty Tough Work	\$ 3,900
The Bloodshots	\$ 500
The Lytics	\$ 1,300
William Prince	\$ 3,500

Music Business Development Fund

This new program was designed to support culturally relevant and commercially viable music companies in Manitoba by investing in new or expanded business activities.

In this fiscal year, three companies were supported with **\$21,000** in funding, with a combined budget totaling **\$45,065** (total budget based on applications submitted).

APPLICANT	FUNDING
Birthday Cake Media Inc.	\$ 15,000
Real Love Winnipeg Records	\$ 3,000
5082200 Manitoba Ltd.	\$ 3,000

Record Product Marketing Support Program

This year, **\$106,922** was provided to 30 acts for 37 separate projects, with a combined budget totaling **\$297,065**.

ACT	FUNDING
Amos the Kid	\$ 750
Apollo Suns	\$ 4,900
Ariel Posen	\$ 850
Begonia	\$ 1,156
Eagle and Hawk	\$ 2,200
Field Guide	\$ 3,200
Jason Kirkness	\$ 2,200
Jocelyne Baribeau	\$ 3,100
Kris Ulrich	\$ 4,100
Lhasa Petik	\$ 800
Living Hour	\$ 700
Mattmac	\$ 7,000
Matty Stecks and Musical Tramps	\$ 3,000
Mise en Scene	\$ 9,200
Mister K	\$ 2,350

ACT	FUNDING
Mobina Galore	\$ 9,500
Petric	\$ 10,000
Raine Hamilton	\$ 7,720
Renee Lamoureux	\$ 2,878
Roman Clarke	\$ 1,300
Sebastian Gaskin	\$ 1,650
Slow Leaves	\$ 5,553
Steve Bell	\$ 4,500
Super Duty Tough Work	\$ 2,400
Sweet Alibi	\$ 1,900
The Treble	\$ 3,900
Touching	\$ 2,200
Tyler Del Pino	\$ 2,700
VIISI	\$ 5,000
Virgo Rising	\$ 215

Music Video and Viral Video Fund

This year, **\$40,453** was provided to 19 acts for 22 separate projects, with a combined budget totaling **\$107,712**.

ACT	FUNDING
Amos the Kid	\$ 1,350
Anthony OKS	\$ 1,800
Apollo Suns	\$ 1,000
Ariel Posen	\$2,900
Begonia	\$ 2,750
Bluebloods	\$ 1,000
Dill the Giant	\$ 1,200
Emma Peterson	\$ 850
Field Guide	\$ 1,700

ACT	FUNDING
Flamenco Sketch	\$ 1,100
Petric	\$ 8,950
Raine Hamilton	\$ 4,000
Red Moon Road	\$ 1,080
Sala	\$ 2,600
Sean Burns	\$ 700
Sir Louie	\$ 1,304
Slow Leaves	\$ 3,000
Touching	\$ 1,350
Tyler Del Pino	\$ 1,819

Music Recording Production Fund for Out-of-Province Artists

This year, **\$18,000** was provided to two out-of-province artists whose total project budget was **\$44,015**.

ACT	FUNDING
Field Guide	\$ 10,000
Jocelyn Gould	\$ 8,000



Andrina Turenne, photo by Brodie Parachonia.

DISCLOSURES

THE CORPORATION

The Manitoba Film and Sound Recording Development Corporation, known as 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 Sport, Culture and Heritage.

The management of Manitoba Film & Music reports directly to the Board of Directors appointed by the Lieutenant Governor in Council.

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, 2021.

FINANCIAL STATEMENTS 2020



MANITOBA FILM AND SOUND RECORDING DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021



Orphan: First Kill,
photo by Victor Moyers

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements are the responsibility of the management of **Manitoba Film and Sound Recording Development Corporation** and have been prepared in accordance with Canadian public sector accounting standards. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgment regarding all necessary estimates and all other data available to the audit report date.

Management maintains internal controls to properly safeguard the assets and to provide reasonable assurance that the books and records from which the financial statements are derived accurately reflect all transactions and that established policies and procedures are followed.

The responsibility of the external audit is to express an independent opinion on whether the financial statements of **Manitoba Film and Sound Recording Development Corporation** are fairly represented in accordance with Canadian public sector accounting standards. The Independent Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

On behalf of Management

Manitoba Film and Sound Recording Development Corporation



Rachel Rusen

Chief Executive Officer



Kevin Gabriel

Director, Finance & Administration

May 19, 2021

INDEPENDENT AUDITOR'S REPORT



Tel.: 204 956 7200
Fax.: 204 926 7201
Toll Free: 800 268 3337
www.bdo.ca

BDO Canada LLP
201 Portage Avenue - 26th Floor
Winnipeg MB R3B 3K6 Canada

To the Board of Directors of Manitoba Film and Sound Recording Development Corporation

Opinion

We have audited the financial statements of **Manitoba Film and Sound Recording Development Corporation** (the "Organization") which comprise the statement of financial position as at March 31, 2021, and the statement of operations and accumulated surplus, changes in net financial assets, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021 and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Container, photo by Connor Vu

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Winnipeg, Manitoba May 26, 2021

STATEMENT OF FINANCIAL POSITION

MARCH 31	2021	2020
FINANCIAL ASSETS		
Cash and bank (Note 3)	\$ 2,571,644	\$ 2,441,134
Portfolio investment (Note 4)	118,301	106,464
Accounts receivable (Note 5)	250,000	19,873
	2,939,945	2,567,471
LIABILITIES		
Accounts payable and accruals	43,701	78,610
Employee future benefits (Note 6)	118,301	106,464
Carry-over commitments (Note 7)	1,866,175	1,938,953
Deferred revenue (Note 5)	250,000	-
	2,278,177	2,124,027
NET FINANCIAL ASSETS	661,768	443,444
NON-FINANCIAL ASSETS		
Prepaid expenses	112,813	123,510
Tangible capital assets (Note 8)	80,812	101,699
	193,625	225,209
ACCUMULATED SURPLUS	\$ 855,393	\$ 668,653

Approved on behalf of the Board:



Director



Director

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

FOR THE YEAR ENDED MARCH 31	2021	2021	2020
	BUDGET	ACTUAL	ACTUAL
REVENUE			
Province of Manitoba	\$ 3,475,100	\$ 3,475,300	\$ 3,582,600
Other	85,000	155,558	229,589
	3,560,100	3,630,858	3,812,189
EXPENDITURES (SCHEDULE)			
Corporate services	238,259	197,893	237,442
Film commission/location services	385,810	361,937	370,534
Film and television programs	1,728,000	1,591,606	1,934,838
Industry support	215,000	135,284	211,850
Music programs	498,250	521,750	575,000
Program delivery - film/television, tax credits and music programs (Note 9)	788,131	738,218	859,491
	3,853,450	3,546,688	4,189,155
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES BEFORE PROGRAM RECOUPMENTS			
	(293,350)	84,170	(376,966)
PROGRAM RECOUPMENTS (Note 10)	293,350	102,570	383,854
ANNUAL SURPLUS (Note 11)	\$ -	186,740	6,888
ACCUMULATED SURPLUS			
Beginning of year		668,653	661,765
ACCUMULATED SURPLUS			
End of year		\$ 855,393	\$ 668,653

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

FOR THE YEAR ENDED MARCH 31	2021	2021	2020
	BUDGET	ACTUAL	ACTUAL
ANNUAL SURPLUS	\$ -	\$ 186,740	\$ 6,888
ACQUISITION OF TANGIBLE CAPITAL ASSETS	-	(9,453)	(43,796)
AMORTIZATION OF TANGIBLE CAPITAL ASSETS	46,750	30,340	20,037
DECREASE (INCREASE) IN PREPAID EXPENSE	-	10,697	(78,292)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	\$ 46,750	218,324	(95,163)
NET FINANCIAL ASSETS			
Beginning of year		443,444	538,607
NET FINANCIAL ASSETS			
End of year		\$ 661,768	\$ 443,444



Orphan: First Kill, photos by Victor Moyers

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Annual surplus	\$ 186,740	\$ 6,888
Amortization	30,340	20,037
	217,080	26,925
Changes in non-cash working capital balances		
Accounts receivable	(230,127)	(15,988)
Prepaid expenses	10,697	(78,292)
Accounts payable and accruals	(34,909)	16,515
Employee future benefits	11,837	23,147
Carry-over commitments	(72,778)	264,069
Deferred revenue	250,000	-
	151,800	236,376
CASH FLOWS FROM CAPITAL ACTIVITIES		
Purchase of capital assets	(9,453)	(43,796)
CASH FLOWS FROM CAPITAL ACTIVITIES		
Increase in portfolio investment	(11,837)	(23,147)
INCREASE IN CASH AND BANK DURING THE YEAR		
	130,510	169,433
CASH AND BANK		
Beginning of year	2,441,134	2,271,701
CASH AND BANK		
End of year	\$ 2,571,644	\$ 2,441,134

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

1 Nature of the Organization

Manitoba Film and Sound Recording Development Corporation (the "Organization") is a statutory corporation created by the Province of Manitoba through The Manitoba Film and Sound Recording Development Corporation Act and is exempt from income taxes. The 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 the registration of productions and review of tax credit applications.

2 Summary of Accounting Policies

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Canadian public sector accounting standards ("PSAS") as established by the Public Sector Accounting Board, and reflect the following significant accounting policies.

FINANCIAL ASSETS

Accounts receivable are recorded at the lower of cost and net realizable value. An allowance for doubtful accounts is recorded when there is uncertainty whether the amounts will be collected.

Portfolio investments are investments that are capable of reasonably prompt liquidation and are recognized at cost.

LIABILITIES

Liabilities are present obligations as a result of transactions and events occurring prior to the end of the fiscal year. The settlement of the liabilities will result in the future transfer or use of assets or other form of settlement. Liabilities are recorded at the estimated amount ultimately payable.

Pension benefit costs are determined using the projected benefit method prorated on years of service and based on best estimate assumptions.

NON-FINANCIAL ASSETS

(a) Prepaid expenses are payments for goods or services that will provide economic benefit in future periods. The prepaid amount is recognized as an expense in the year the goods or services are consumed.

(b) Tangible Capital Assets

Purchased capital assets are stated at cost less accumulated amortization. Amortization is provided using the straight line method based on the estimated useful life of the asset, at the following rates:

Computer equipment	30%
Equipment	20%
Furniture and fixtures	20%
Leasehold improvements	5%
Website	30%

2 Summary of Accounting Policies (continued)

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

Provincial government transfers for operating purposes are recognized as revenue in the period in which all eligibility criteria and/or stipulations have been met and the amounts are authorized. Any funding received prior to satisfying these conditions are considered unearned until conditions have been met. When revenue is received without eligibility criteria or stipulations, it is recognized when the transfer from the Province of Manitoba is authorized, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability for the Organization. Any unrestricted contributions or grants are recorded as revenue in the year received or in the years the funds are committed if the amount can be reasonably estimated and collection is reasonably assured. Other revenue are recognized as follows:

a) Program Recoupments

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

b) 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.

USE OF ESTIMATES

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

3 Cash and Bank

	2021	2020
Cash	\$ 705,469	\$ 502,181
Internally designated cash	1,866,175	1,938,953
	\$ 2,571,644	\$ 2,441,134

Cash on deposit and internally designated cash earn 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 7 for carry-over commitments.

4 Portfolio Investment

Portfolio investment consists of a guaranteed investment certificate with a maturity date of March 22, 2022, bearing interest at a rate of 0.40% per annum.

5 Accounts Receivable

Accounts receivable consists of one-time COVID-19 funding due from the Province of Manitoba allocated for music industry stimulation. The funding was allocated for the fiscal year 2021/2022, classified as deferred revenue as it was uncommitted at March 31, 2021.

6 Employee Future Benefits

(a) Pension Benefits

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' contribution to the Fund. The Organization's contribution for the year was \$60,290 (\$54,246 in 2020) and is included in employees benefits expense.

Container, photo by Connor Vu



6 Employee Future Benefits (continued)

(b) Enhanced Pension Benefit Obligation

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 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 measures its accrued enhanced pension benefit obligation as of December 31 each year. The most recent actuarial report was December 31, 2019.

The pension obligation liability at March 31 included in accounts payable and accruals includes the following components:

	2021	2020
Accrued obligation liability		
Balance, beginning of the year	\$ 106,464	\$ 83,317
Current service costs	5,159	4,819
Interest cost	6,002	4,901
Employer benefit payments	(7,928)	-
Effect of changes in assumptions	577	5,560
Experience gain and transitional adjustment	8,027	7,867
BALANCE End of year	\$ 118,301	\$ 106,464

The total expenses related to pension benefits at March 31 include the following components:

	2021	2020
Current service costs	\$ 5,159	\$ 4,819
Interest cost	6,002	4,901
Effect of changes in assumptions	577	5,560
Experience gain and transitional adjustment	8,027	7,867
BALANCE End of year	\$ 19,765	\$ 23,147

6 Employee Future Benefits (continued)

Significant long-term actuarial assumptions used in the December 31, 2019 valuation and in the determination of the March 31, 2021 present value of the accrued pension obligation were:

	2021	2020
Discount rate	5.75%	6.00%
Rate of compensation increase	3.50%	3.50%

The Organization has internally designated its short-term investment (see Note 4) to meet its obligation for providing enhanced pension benefits to eligible employees.



Burden of Truth, Season 4, photo by Shauna Townley

7 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, 2021 and prior years, which were not fully advanced as at March 31, 2021 are as follows:

	YEAR OF COMMITMENT				
	2020-21	2019-20	2018-19 & Older	2021	2020
Development Financing Programs	\$ 126,252	\$ 15,880	\$ 3,770	\$ 145,902	\$ 99,387
Production Financing Programs	1,022,052	157,562	228,331	1,407,945	1,535,894
Emerging Talent Matching Funds	63,790	12,750	600	77,140	69,324
Feature Film Marketing Program	1,600	-	600	2,200	2,700
Access to Markets/Festivals	257	-	-	257	10,000
	1,213,951	186,192	233,301	1,633,444	1,717,305
Sound Recording Production Fund Level 1	39,200	400	-	39,600	4,723
Sound Recording Production Fund Level 2	68,000	15,400	-	83,400	64,748
Sound Recording Production Fund Level 3	26,400	1,800	-	28,200	27,500
Sound Recording Production Fund for Out-of-Province Artists	9,000	4,900	-	13,900	21,225
Music Video Fund	8,512	-	-	8,512	4,782
Record Product Marketing Fund	31,819	1,600	-	33,419	54,445
Recording Artist Touring Fund	11,800	-	-	11,800	28,675
Music Business Development Fund	8,400	-	-	8,400	8,550
Market Access Fund	5,500	-	-	5,500	3,000
Music Sponsorships	-	-	-	-	4,000
	208,631	24,100	-	232,731	221,648
TOTAL COMMITMENTS	\$ 1,422,582	\$ 210,292	\$ 233,301	\$ 1,866,175	\$ 1,938,953

8 Tangible Capital Assets

2021

	OPENING BALANCE	ADDITIONS	DISPOSALS	CLOSING BALANCE
COST				
Computer equipment	\$ 97,000	\$ 6,979	\$ (4,021)	\$ 99,958
Equipment	15,111	-	(2,185)	12,926
Furniture and fixtures	55,055	1,023	-	56,078
Leasehold Improvements	146,236	1,451	-	147,687
Website/Database	66,828	-	(21,382)	45,446
	380,230	9,453	(27,588)	362,095
ACCUMULATED AMORTIZATION				
Computer equipment	73,462	13,634	(4,021)	83,075
Equipment	9,343	1,482	(2,185)	8,640
Furniture and fixtures	50,571	1,700	-	52,271
Leasehold Improvements	103,747	5,555	-	109,302
Website/Database	41,408	7,969	(21,382)	27,995
	278,531	30,340	(27,588)	281,283
NET BOOK VALUE	\$ 101,699	\$ (20,887)	\$ -	\$ 80,812

2020

	OPENING BALANCE	ADDITIONS	DISPOSALS	CLOSING BALANCE
COST				
Computer equipment	\$ 85,546	\$ 11,987	\$ (533)	\$ 97,000
Equipment	11,440	5,976	(2,305)	15,111
Furniture and fixtures	65,866	433	(11,244)	55,055
Leasehold Improvements	146,236	-	-	146,236
Website/Database	43,928	25,400	(2,500)	66,828
	353,016	43,796	(16,582)	380,230
ACCUMULATED AMORTIZATION				
Computer equipment	63,942	10,053	(533)	73,462
Equipment	10,609	1,039	(2,305)	9,343
Furniture and fixtures	60,103	1,712	(11,244)	50,571
Leasehold Improvements	97,604	6,143	-	103,747
Website/Database	42,818	1,090	(2,500)	41,408
	275,076	20,037	(16,582)	278,531
NET BOOK VALUE	\$ 77,940	\$ 23,759	\$ -	\$ 101,699

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 nothing. The cost to administer the MTC Program in the fiscal year was approximately \$83,150 (\$78,111 in 2020). A total of 123 projects submitted applications for processing during the 2021 fiscal year (125 in 2020).

10 Program Recoupments

During the year the Organization received total program recoupments of \$102,570 (\$383,854 in 2020) of which \$7,391 (\$7,574 in 2020) related to the Jump Start program. These Jump Start recoupments were reinvested into new projects during the year.

11 Budget

The Board approved its operating budget based on planned expenses and the use of unrestricted accumulated surplus to cover any deficit for the year.

12 Industry Support

The Organization indirectly supports the ongoing 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 of Canada and the Winnipeg Film Group.

13 Lease Commitments

The Organization occupies leased premises subject to minimum monthly rent payments until August 2023, plus various equipment leases with quarterly payments until December 2025. Future minimum annual payments are as follows:

2022	\$ 86,478
2023	86,478
2024	40,132
2025	7,028
2026	5,121

Orphan: First Kill, photo by Victor Moyers



14 Financial Risk Management

In the normal course of operations, the Organization is exposed to various financial risks. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Organization does not meaningfully participate in the use of financial instruments to control these risks. The Organization has no designated hedging transactions. The financial risks and management's risk management objectives and policies are as follows:

CREDIT RISK

Credit risk arises from the possibility that entities that owe funds to the Organization may experience financial difficulty and not be able to fulfill their commitment. The maximum exposure to credit risk is equal to the carrying value of the cash, portfolio investment and receivables. The risk has not changed in the year.

INTEREST RATE RISK

Interest rate risk is the risk that changes in market interest rates may have an effect on the cash flows associated with some financial instruments, known as cash flow risk, or on the fair value of other financial instruments known as interest rate price risk.

The Organization is not exposed to interest rate cash flow risk as the Organization does not have any short-term or long-term debt. The risk has not changed in the year.

The Organization does not trade in financial instruments and is not exposed to interest rate price risk. The risk has not changed in the year.

LIQUIDITY RISK

Liquidity risk is the risk that the Organization cannot meet its financial obligations associated with financial liabilities in full. The main source of the Organization's liquidity is government funding used to finance the Organization's operations and is adequate to meet the Organization's financial obligations associated with financial liabilities.

Contractual cash outflows consist of accounts payable and accruals that are due within one year.

Liquidity risk may arise from unanticipated expenditures in excess of the financial capability of the Organization. It is management's opinion that the Organization is not exposed to significant liquidity risk from their financial instruments. The risk has not changed in the year.

15 Uncertainty due to COVID-19 Pandemic

The global pandemic has disrupted economic activities and supply chains. This has adverse impacts in Canada and on the global economy. The full impact of the COVID-19 outbreak continues to evolve as at the date of this report. As such, it is uncertain as to the full magnitude of the effect that the pandemic will have on the Organization's financial condition, liquidity and future results of operations. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal 2021-2022.

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED MARCH 31	2021	2021	2020
	BUDGET	ACTUAL	ACTUAL
CORPORATE SERVICES			
Salaries and benefits	\$ 144,062	\$ 132,933	\$ 159,681
Operating	94,197	64,960	77,761
	238,259	197,893	237,442
FILM COMMISSION/LOCATION SERVICES			
Salaries and benefits	246,913	263,915	263,416
Operating	138,897	98,022	107,118
	385,810	361,937	370,534
FILM AND TELEVISION PROGRAMS			
Development Funding	85,750	174,026	75,462
Production Financing	1,582,250	1,331,161	1,770,655
Emerging Talent Matching Funds	40,000	71,750	67,647
Feature Film Marketing	20,000	7,278	13,500
Jump Start	-	7,391	7,574
	1,728,000	1,591,606	1,934,838
INDUSTRY SUPPORT			
Film industry associations	50,000	(716)	50,000
Film sponsorships/partnerships	19,000	13,500	34,350
Music industry associations	130,000	105,000	105,000
Music sponsorship/partnerships	16,000	17,500	22,500
	215,000	135,284	211,850

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FOR THE YEAR ENDED MARCH 31	2021	2021	2020
	BUDGET	ACTUAL	ACTUAL
MUSIC PROGRAMS			
Music Recording Production Levels 1-3	\$ 153,250	\$ 273,870	\$ 140,319
Music Business Development Fund	25,000	21,000	-
Music Video	40,000	40,811	34,656
Record Product Marketing Support	60,000	106,789	113,573
Recording Artist Touring Support	200,000	61,280	256,452
Sound Recording Production Fund for Out-of-Province Artists	20,000	18,000	30,000
	498,250	521,750	575,000
PROGRAM DELIVERY - FILM/TELEVISION, TAX CREDITS AND MUSIC PROGRAMS			
Salaries and benefits	572,025	590,835	601,380
Operating	216,106	147,383	258,111
	788,131	738,218	859,491
TOTAL EXPENDITURES	\$ 3,853,450	\$ 3,546,688	\$ 4,189,155

Container, photo by Connor Vu

