


12 TV SERIES developed and
broadcast in last 10 years

15 FEATURE FILMS
produced in 15 years

107 SHORT FILMS produced
over 21 years

100s of FESTIVAL SCREENINGS
around the world

...and many more to come

nsi  **national screen institute**

2011/12 ANNUAL REPORT IN BRIEF

Message from the NSI CEO



John Gill with NSI's 25th anniversary cake.



On the *Less Than Kind* set – l to r: Executive Producers Mark McKinney, Chris Sheasgreen & Marvin Kaye (who developed *LTK* through NSI Totally Television), Phyllis Laing and NSI's Chris Vajcner.


My first year at NSI was also the organization's 25th anniversary. It was the perfect time for me to learn about our past and, along with the team, plan our future.

In addition to the many talented alumni trained through our courses, television shows developed through NSI such as *Less Than Kind*, *Cashing In*, *Wapos Bay* and *Todd & The Book of Pure Evil* have created hundreds of jobs and brought millions of production dollars into the economy. Three films developed through **NSI Features First** and **NSI Drama Prize** premiere at TIFF 2012.

We plan to introduce four new market-driven courses this year to complement our core programs. Digital media is being incorporated into our new and current initiatives. The Canadian screen industry is thriving, and we continue to train emerging content creators for successful careers now and in the future.

We've accomplished a lot in a year with more great news in the coming months. Our new mantra is "Dammit we're good" and thanks to our dedicated staff, board, sponsors, associate faculty, students and alumni, each day it becomes more and more true.

John Gill Chief Executive Officer

nsi  DramaPrize
national screen institute

When You Sleep

Ashley McKenzie
Writer/Director

Nelson MacDonald
Martha Cooley
Producers

nsi  DramaPrize
national screen institute

Barefoot

Danis Goulet
Writer/Director

Christine Kleckner
Producer

nsi  FeaturesFirst
national screen institute

I Declare War

Jason Lapeyre
Writer/Co-director

*playing in TIFF's 2012
Vanguard Programme*



A national training school for writers, producers, and directors with aspirations to work in television, film, and digital media, the NATIONAL SCREEN INSTITUTE - CANADA (NSI), headquartered in Winnipeg, is a “school without walls”. They have delivered modern, comprehensive, and market-driven courses for the past 26 years.

THROUGHOUT ITS HISTORY, NSI has focused on storytelling. John Gill, CEO of NSI, told *The Canadian Business Journal*, “What we bring to the marketplace is a real understanding of the storytelling process and a fairly unique way of developing storytellers by honing their craft.

“Anyone coming to our organization has to have a love for storytelling, first and foremost. Not only do we provide training in how to tell a story and how to use the media effectively, but students will also make incredible connections within the industry.”

NSI’s strength is its close ties to the broadcasting and film industries and its key relationships with a variety of media experts and mentors who provide invaluable evaluation and knowledge.

“A writer new to the industry who comes in with a script that gets read by the top people in the business, that person is going to be remembered. You can’t put a value on that because it is a huge part of your long-term success in the industry,” Gill summarized.

DEVELOPING STORIES FOR THE SCREEN Since 2003, NSI has developed and delivered programs for Aboriginal content creators, such as NSI New Voices, a 14-week introductory course that trains young Aboriginal adults for creative and challenging employment in television and film.

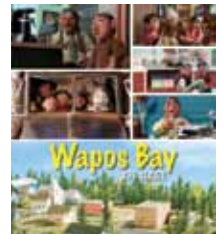
NSI is renowned for its involvement in content development. Its courses develop not only the creators, but their projects as well, whether it’s a script or a series proposal that is brought into the course.

A flagship course for the institute, NSI Totally Television has been most successful in developing writers and producers who create scripted television concepts that ultimately secure broadcast development deals, of which some are further developed and independently produced.

“Once it’s independently produced, we’re talking job creation, investment in production, and just huge impact beyond the scope of what you’d typically think of a project developed by a training organization,” Gill added.

NSI alumni have created recent hits such as the feature film *Goon* (directed by Mike Dowse) and Canadian television series *Corner Gas* (Virginia Thompson as executive producer). NSI also recognizes its board’s level of industry representation and values staff recognition of industry needs and trends.

“The link back to industry is very important to us,” Gill said. “The courses we are developing now are very market focused, because we succeed when our alumni succeed.”



Television shows developed through NSI.

VISIONARY APPROACH nsi-canada.ca offers users an online short film festival and gateway to industry news, blogs and NSI alumni achievements.

And the National Screen Institute has plans to expand its digital media offering. The organization recognizes digital media as a significant, growing segment of the broadcasting and film industries and will design industry-driven courses to meet this demand, in addition to the digital training delivered through its existing courses.

“Digital is in the consciousness of everybody. More and more people want to create content for the digital platform,” Gill said. “If we’re serious about storytelling and media, we need to play a role in that space. We’ve bolstered the digital media and social media marketing aspects of our traditional courses. We need to find the best and the brightest that Canada has to offer, and give them the tools to create in that environment. Digital is a very big part of our future.”

Currently in development, NSI will offer a web series training course about content creation and the technical development of storytelling skills. Students will work to develop a web series, with the possibility of producing at least one episode. The web series course will offer transferable skills similar to other programming offered by NSI.

INDUSTRY SUPPORT A not-for-profit, charitable organization, NSI is supported by the Province of Manitoba, Telefilm Canada, the City of Winnipeg, and a who’s who of industry partners. Following a major funding cut in 2008, the organization reengineered its courses to better connect with and reflect industry needs. Looking more toward the industry for its funding, NSI is making an effort to better tell its story.

“This organization has a phenomenal track record of success but didn’t brag about it, which became a detriment,” Gill explained. “We spent a lot of time talking about what we need to say to people about our organization. Doowah Design came up with a slogan for us – ‘Dammit we’re good ... and you can be too’ – and in a meaningful way it captures the sentiment we want to convey.”

Moving forward, the approach is to add to this host of successful, relevant courses. NSI wants to develop additional, forward-thinking programming opportunities. Gill summarized, “The need for us to maintain the quality of courses, training, and development all has to be part of it. We don’t want to lose sight of our mandate and we clearly want more people to come through our doors and receive our training.

“This organization really punches way beyond its weight class. We have such a great story to tell, and it’s not just about training, it’s also about acceleration and incubation of serious, meaningful Canadian content.”

The Canadian Business Journal, August 2012: cbj.ca



NSI ad campaigns

Message from the Co-Chairs of NSI Board of Directors

This new style of annual review reflects the direction of the organization over the past year: streamlined, efficient and market-driven.

We spent our 25th anniversary year evaluating our current courses and developing new ones that will give our graduates a competitive edge in the film and television industry. The Canadian broadcasting system is flourishing and training needs to be a priority investment to build and nurture the upcoming generations of content creators in our country.

In this 2012-13 fiscal NSI aims to double its number of courses to complement its flagship programs, including ones for **lifestyle series producers**, **web series creation** and **Aboriginal documentary**. We are successfully collaborating with the industry as proven by the remarkable response to the **Movie Central Script to Screen initiative**. We are preparing our students for sustainable careers.

We congratulate John Gill on an incredible first year as CEO. Along with his talented staff, we also thank the board of directors for their dedication and interest in NSI. We bid a fond farewell and thank board members Louise Clark, Cindy Witten, Paul Gratton, Mary Powers and Fred Fuchs for their years of dedication and service. It is with pleasure we welcome to the board Virginia Thompson, NSI Features First alumna and president of Vérité Films.

Last but not least we have two very important groups to thank, because without them our programs would not be as successful and impactful as they are: our great associate faculty of writers, directors, producers, distributors, executives and the key voices of our industry for sharing their time and talents with our students; and our funders and sponsors for their personal and financial commitment to our training courses.

There's always something exciting happening at NSI – keep watching for more news over the next weeks and months. Dammit we're good!



l to r: Raja Khanna, Board Co-Chair; John Gill, CEO; Michael A. Levine, Board member; Brad Pelman, Board Co-Chair; Marcia Martin, Board member.



l to r: Louise O'Brien-Moran, Manitoba Film & Music; Kenny Boyce, City of Winnipeg; Carole Vivier, NSI Board Member; NSI's David Pollock.



in association with 
national screen institute

Brad Pelman Co-Chair, NSI Board of Directors
Marketing and Distribution Expert

Raja Khanna Co-Chair, NSI Board of Directors
CEO, Television & Digital, Blue Ant Media

NSI Totally Television

Trains writer/producer teams to develop their scripted TV series concepts and secure a broadcast development deal.

NSI New Voices

Culturally-sensitive training that exposes Aboriginal people aged 18-35 to creative and challenging employment opportunities in film and TV.

NSI Drama Prize

Trains emerging writer/director/producer teams to develop and produce a short film.

NSI Features First

Trains writer/director/producer teams to develop their first or second feature film.

Movie Central Script to Screen

A feature script development initiative funded by Movie Central and delivered by NSI. Selected writers receive a development advance of up to \$50,000.

NSI Lifestyle Series Producer

An advanced course designed to train lifestyle series producers.

NSI Aboriginal Documentary

Trains emerging Aboriginal writer/director/producer teams to develop and produce a short documentary for online and traditional screens.

NSI Web Series

Trains teams to develop their web projects from concept through marketing and production.

NSI Online Short Film Festival

Screens Canadian short films year-round. Awards are presented four times a year: \$1,250 A&E Short Filmmakers Award, \$2,500 Shaw Media Fearless Female Director Award and \$750 Bite Comedy Award.

nsi-canada.ca

The NSI website continues to grow as a popular source of information, advice and celebration of the film and television industry in Canada. NSI staff post content to the website daily.



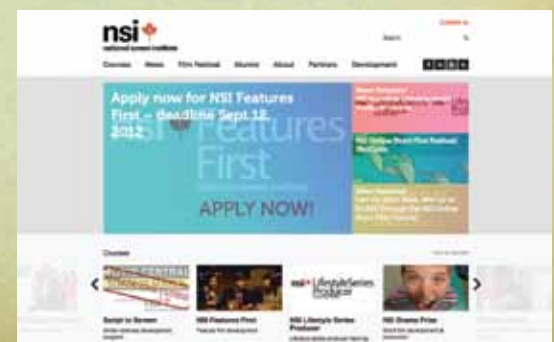
NSI Totally Television at Banff 2011: l to r: Pat Mills, Tony Sekulich, Tammy Marlowe Johnson, Shaun Johnson, Jordan Gross.



NSI New Voices 2011 students at Manito Ahbee spiritual grounds.



NSI Features First 2012 orientation session with Marguerite Pigott





l to r: Trinity Bruce, Sam Vint, Ursula Lawson – NSI New Voices faculty.



The first Best of Hot Docs event in Winnipeg, November 2011 l to r: Philip Shane, Co-Director, *Being Elmo*; NSI's John Gill; Alan Black, Hot Docs; NSI's Chris Vajcner.



Sean Garrity (left) oversees NSI Drama Prize 2012 director training.



NSI Power Hour at the Banff World Television Festival 2012 l to r: Brandice Vivier, Melissa Kajpust.

Board of Directors

Brad Pelman (Co-Chair)
Marketing & Distribution Expert

Raja Khanna (Co-Chair)
Blue Ant Media, CEO, Television & Digital

Marlene Kendall (Finance Chair)
Manitoba Lotteries Corporation, Associate Director
Audit & Risk Management

Norm Bolen
Media Consultant

Jean LaRose
Aboriginal Peoples Television Network (APTN), CEO

Bruce Leslie
Media Professional

Michael A. Levine
The Historical-Dominion Institute, Executive Vice-Chairman
and Westwood Creative Artists, Chairman

Marcia Martin
Blue Ant Media, SVP, Original Content

Bill Roberts
ZoomerMedia Limited, President/CEO
Television Division

Christine Shipton
Shaw Media, Vice President, Original Content

Ron Suter
NBC Universal Television Distribution
EVP & General Sales Manager for Canada

Virginia Thompson
Verité Films, President

Carole Vivier
MANITOBA FILM & MUSIC, CEO & Film Commissioner

Paul Gross (NSI Honorary Chair)
Actor/filmmaker

Staff & Faculty

John Gill
Chief Executive Officer

David Pollock
Director, Finance

Melissa Kajpust
Director, Programming

Chris Vajcner
Director, Communications & Revenue
Development

Liz Hover
Manager, Digital Media

Ursula Lawson
Manager, Programs & Development

Lauren MacDiarmid
Communication & Programs Coordinator

Elise Swerhone
Manager, Programs & Development

Brandice Vivier
Manager, Programs & Development

Trinity Bruce
NSI New Voices Program Coordinator

Sean Garrity
NSI Drama Prize Program Advisor

Sam Linton
NSI Totally Television Program Advisor

Al Magee
NSI Lifestyle Series Producer Program Advisor

Lisa Meeches
NSI Aboriginal Advisor

Will Pascoe
NSI Features First Program Advisor

Sam Vint
NSI New Voices Co-Manager

nsi  **TotallyTelevision**
national screen institute

2010-11 – Phase 2



Tammy Marlowe Johnson, Shaun Johnson

Tony Sekulich, Jordan Gross

nsi  **TotallyTelevision**
national screen institute

2011-12



l to r: Andrew DeAngelis, Brandice Vivier (program manager), Mark A. Krupa, David Finch, Kellie Ann Benz, Erica Landrock, Shane Belcourt, Camille Beaudoin, Tony Binns, Mark Montefiore, Duane Murray, Sam Linton (program advisor).

nsi  **NewVoices**
national screen institute

2011



Back row l to r: Christopher Bird, Ursula Lawson (program manager), Percy Poniuk, Sam Vint (co-program manager), Justina Neepin, Trinity Bruce (program coordinator), Kayla Hayden. Front row l to r: Alison Campeau, Leonard Sumner, Anna-Celestrya Carr, Earl Soldier, Vince Sanderson.

nsi  **NewVoices**
national screen institute

2012



l to r: Cheyenne Bruneau, Sam Vint (co-program manager), Trinity Bruce (program coordinator), Jesiah Frechette, Rodney Contois, Honey Courchene, Stanley Wood (seated), Dakota Eischen, Deanna Mace, Dennis Seenie, Adam Wildeman (seated), Ursula Lawson (program manager).

nsi  **DramaPrize**
national screen institute
2011-12



Back row l to r: Darren Kaliciak, Jeff Peeler (producer facilitator), Melissa Kajpust (program manager), Nelson MacDonald, Martha Cooley, Jane Thompson (program advisor). Front row l to r: Matt Austin Sadowski, Shereen Jerrett (writer facilitator), Ashley McKenzie, Danis Goulet, Christine Kleckner.

nsi  **DramaPrize**
national screen institute
2012-13



Back row l to r: Elise Swerhone (program manager), Daniel Hogg, Holly Marchuk, Cory Quinn, Michelle Kim, Amber Ripley, James Musselman, Georgina López, Jeff Peeler (producer facilitator). Front row l to r: Jeremy Lutter, Jeremy Beal, Dion Telesky.

nsi  **FeaturesFirst**
national screen institute
2010-11

***JIM MURPHY
FILMMAKERS
BURSARY
RECIPIENTS
*Wisteria***



Back row l to r: Brendon Sawatzky (program manager), Sarah Lazarovic, Amy Belling*, Luke Bryant, Jillian Ruby, A.J. Bond*, Matt Ferguson. Front row l to r: Naomi Ward, Urmi Bardhan.

nsi  **FeaturesFirst**
national screen institute
2011-12

***JIM MURPHY
FILMMAKERS
BURSARY
RECIPIENTS
*Fragments***

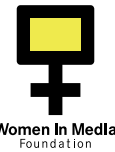
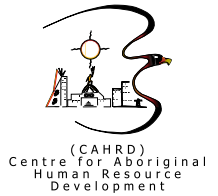


l to r: Ben Silverman, Matthew Bass, Neil Macdonald*, Jason Stone, Sarah Warren, Jordana Arons, Michael Vernon*, Meghna Halder, David Hamelin*, Rajvinder Kaur Uppal, Elise Swerhone (program manager).

NATIONAL SCREEN INSTITUTE SPONSORS

They support our programs in many ways – financially, personally, professionally and in-kind.

Bottom line - without the NSI sponsors, NSI would not exist. Dammit they're good! And we're so grateful!





Mike Dowse (centre) NSI Drama Prize 1999 grad and director of *Goon*, with NSI Drama Prize 2012 students Dion Telesky and Holly Marchuk.



Dan Petrie Jr. (centre) works with NSI Features First students.

The National Screen Institute is proud of all our grads and posts regular updates about their successes on the NSI website and in the weekly e-newsletter.

From news about development deals to festivals and awards, even after training is complete, we give our alumni the edge by promoting their projects and achievements to our online audience.

So many writers, directors, producers, show runners, executives, decision makers, distributors, agents and other professionals make up NSI's Associate Faculty. They are the reason our courses are relevant, market-driven and provide our students with what they need for a sustainable career.

[nsi Drama Prize](#)
[nsi Features First](#)
[nsi Totally Television](#)
[nsi NewVoices](#)

David Barlow, story editor/writer | **Laszlo Barna**, Pier 21 | **Deborah Day**, Innovative by Day | **Julie Di Cresce**, Movie Central | **Rebecca DiPasquale**, Bell Media | **John Dippong**, Telefilm Canada | **Sheri Elwood**, writer/showrunner | **Jay Firestone**, Prodigy Pictures | **Stephanie Gorin**, casting | **Sturla Gunnarsson**, director | **Tom Hastings**, CBC | **Elina Levina**, Harrison Artist Management | **Al Magee**, producer/story editor | **Aaron Martin**, showrunner | **Kathleen Meek**, TMN | **Jan Miller**, Lowenbe Holdings | **Laura Milliken**, Big Soul Productions | **Jeff Newman**, director/producer | **Dan Petrie Jr.**, writer/director/producer | **Kit Redmond**, RTR Media | **Tamara Shannon**, eOne | **Mark Slone**, Alliance Films | **Robin Smith**, Kinosmith | **Yael Strasberg**, eOne

Visit nsi-canada.ca to see more of this incredible associate faculty!

Creative and Technical Partners



DESIGN STUDIO



INTERACTIVE COMMUNICATIONS AGENCY

DAMMIT THEY'RE GOOD!

To the Directors of National Screen Institute–Canada:

We have audited the accompanying financial statements of National Screen Institute–Canada, which comprise the statement of financial position as at March 31, 2012, and 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 generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Screen Institute–Canada as at March 31, 2012, and the results of its operations, changes in net assets and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.



Winnipeg, Manitoba

May 31, 2012

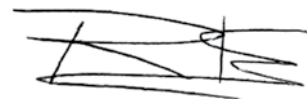
Chartered Accountants

Statement of Financial Position

As at March 31, 2012

	2012	2011
Assets		
Current		
Cash (NOTE 3)	42,142	261,392
Investments (NOTE 4)	181,506	100,854
Accounts receivable	323,507	401,901
Prepaid expenses	30,644	29,104
	577,799	793,251
Capital assets (NOTE 5)	24,644	36,235
Restricted funds (NOTE 6)	198,304	275,000
	800,747	1,104,486
Liabilities		
Current		
Accounts payable	121,557	113,371
Deferred contributions (NOTE 7)	456,242	588,774
	577,799	702,145
Net Assets		
Invested in capital assets	24,644	36,235
Restricted (NOTE 6)	198,304	275,000
Unrestricted	-	91,106
	222,948	402,341
	800,747	1,104,486

Approved on behalf of the Board



Raja Khanna Co-Chair, NSI Board of Directors
CEO, Television & Digital, Blue Ant Media



Marlene Kendall
Finance Chair, NSI Board of Directors
Associate Director Audit & Risk Management
MANITOBA LOTTERIES CORPORATION

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

Statement of Operations

For the year ended March 31, 2012

	2012	2011		2012	2011
Revenues (NOTE 8)			Expenses		
Aboriginal Journalism	-	140,676	Aboriginal Journalism	-	133,559
Administration	148,199	158,661	Administration	197,372	158,661
Drama Prize	167,396	224,208	Drama Prize	193,315	224,809
Features First	250,269	214,444	Features First	262,815	215,556
Featuring Aboriginal Stories Program	39,514	267,514	Featuring Aboriginal Stories Program	11,624	267,514
Global Marketing	43,077	122,642	Global Marketing	43,077	120,028
Industry Centre	97,419	99,000	Industry Centre	113,577	102,314
New Voices	245,528	241,708	New Voices	242,503	238,465
Research and development	66,000	69,899	Research and development	164,199	89,697
Short film festival	59,485	78,867	Short film festival	72,044	74,157
Totally Television	240,603	211,094	Totally Television	236,357	193,800
	1,357,490	1,828,713		1,536,883	1,818,560
Contributions of goods and services	350	76,605	Consumption of goods and services	350	76,605
	1,357,840	1,905,318		1,537,233	1,895,165
			Excess (deficiency) of revenues over expenses before loss on sale of assets	(179,393)	10,153
			Loss on sale of assets	-	(67,384)
			Deficiency of revenues over expenses	(179,393)	(57,231)

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

Statement of Changes in Net Assets

For the year ended March 31, 2012

	Invested in Capital Assets	Restricted	Unrestricted	2012	2011
Net assets, beginning of year	36,235	275,000	91,106	402,341	459,572
Deficiency of revenues over expenses	-	-	(179,393)	(179,393)	(57,231)
Transfers	-	(76,696)	76,696	-	-
Investment in capital assets	3,197	-	(3,197)	-	-
Amortization	(14,788)	-	14,788	-	-
Net assets, end of year	24,644	198,304	-	222,948	402,341

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

Statement of Cash flows

For the year ended March 31, 2012

	2012	2011
Cash provided by (used for) the following activities		
Operating activities		
Deficiency of revenues over expenses	(179,393)	(57,231)
Amortization	14,788	18,597
	<hr/>	<hr/>
	(164,605)	(38,634)
Changes in working capital accounts		
Accounts receivable	78,394	(13,185)
Prepaid expenses	(1,540)	2,342
Memorabilia available for resale	-	59,667
Accounts payable	8,186	8,666
Deferred contributions	(132,532)	(130,767)
	<hr/>	<hr/>
	(212,097)	(111,911)
Investing activities		
Advances of restricted funds	76,696	5,967
Purchase of capital assets	(3,197)	(3,834)
	<hr/>	<hr/>
	73,499	2,133
Decrease in cash resources		
	(138,598)	(109,778)
Cash resources, beginning of year	362,246	472,024
	<hr/>	<hr/>
Cash resources, end of year	223,648	362,246
Cash resources are composed of:		
Cash	42,142	261,392
Investments	181,506	100,854
	<hr/>	<hr/>
	223,648	362,246
	<hr/> <hr/>	<hr/> <hr/>

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

Notes to the Financial Statements

For the year ended March 31, 2012

1. Nature of operations

The National Screen Institute–Canada (“NSI”) was incorporated on April 7, 1986, under Part II of the Canada Corporations Act as a corporation without share capital. NSI’s Vision Statement: “NSI is the leading national centre of excellence in the training of the finest content creators for Canada’s film, television and interactive media sectors.” NSI’s Mission Statement: “The National Screen Institute is the leader in developing the careers and projects of Canadian writers, producers and directors by delivering professional, market-driven and innovative training that gets results.” NSI has its head office in Winnipeg, Manitoba.

2. Significant accounting policies

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

Measurement uncertainty

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

Accounts receivable are stated after evaluation as to their collectability. Provision is made for amortization of capital assets based on an estimate of their useful lives. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in income in the periods in which they become known.

Capital assets

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

	Rate
Computer equipment	20 %
Computer software	20 %
Furniture and fixtures	12.5 %
Office equipment	20 %
Leasehold improvements	20 %
Program equipment	20 %

Revenue recognition

NSI follows the deferral method of accounting for contributions. Restricted contributions are recognized in the year when the related expenses is incurred or as receivable if the amount to be received can be reasonably estimated and the collection is reasonably assured. Unrestricted contributions are recognized when received or the amount to be received can be reasonably estimated and the collection is reasonably assured.

Contribution of goods and services

NSI records contributions of donated goods and services as both revenue and expenses at estimated fair market value of advertising, travel, and production and technical expense.

Income taxes

NSI is a not-for-profit charitable organization registered under the Income Tax Act, and as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

For the year ended March 31, 2012

2. Significant accounting policies

(CONTINUED FROM PREVIOUS PAGE)

Long-lived assets

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

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

FINANCIAL INSTRUMENTS

Held for trading:

NSI has classified cash, restricted cash, investments and accounts payable as held for trading. These instruments are initially recognized at their fair value. Transactions to purchase or sell these items are recorded on the settlement date, and transaction costs are immediately recognized to operations.

Held for trading financial instruments are subsequently measured at their fair value. Gains and losses arising from changes in fair value are recognized immediately in operations.

Loans and receivables:

NSI has classified accounts receivable as loans and receivables. These assets are initially recognized at their fair value.

Transactions to purchase or sell these items are recorded on the settlement date, and transactions costs are immediately recognized in income.

Loans and receivables are subsequently measured at their amortized cost, using the effective interest method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and less any reduction for impairment or uncollectibility. Gains and losses arising from changes in fair value are recognized in excess of revenues over expenses upon derecognition or impairment.

RECENT ACCOUNTING PRONOUNCEMENTS

Canadian accounting standards for not-for-profit organizations

In October 2010, the Accounting Standards Board (AcSB) approved the accounting standards for private sector not-for-profit organizations (NFPOs) to be included in Part III of the CICA Handbook-Accounting ("Handbook"). Part III will comprise:

- The existing "4400 series" of standards dealing with the unique circumstances of NFPOs, currently in Part V of the Handbook; and

- The new accounting standards for private enterprises in Part II of the Handbook, to the extent that they would apply to NFPOs.

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

3. Cash

Cash balances are maintained in a monthly savings account with tiered interest rates ranging from 0.21% to 0.88% (2011 - 0.25% to 0.75%)

4. Investments

Investments are held in a money market mutual fund reported at fair market value. Fair market value is equal to cost plus accrued interest to date. The rate of interest earned is floating based on the mutual fund performance.

Notes to the Financial Statements

For the year ended March 31, 2012

5. Capital assets

	Cost	Accumulated amortization	2012 Net book value
Computer equipment	38,717	33,076	5,641
Computer software	7,276	6,707	569
Furniture and fixtures	42,838	30,301	12,537
Office equipment	41,699	35,802	5,897
Leasehold improvements	12,807	12,807	-
Program equipment	11,725	11,725	-
	155,062	130,418	24,644

	Cost	Accumulated amortization	2011 Net book value
Computer equipment	50,715	42,127	8,588
Computer software	9,494	8,453	1,041
Furniture and fixtures	42,838	25,208	17,630
Office equipment	57,794	51,004	6,790
Leasehold improvements	12,807	10,621	2,186
Program equipment	11,725	11,725	-
	185,373	149,138	36,235

6. Restricted net assets

During the year the Board of Directors approved a transfer of \$76,696 from internally restricted net assets to unrestricted net assets to cover the operating deficit for the year.

Cash of \$198,304 (2011—\$275,000) remains internally restricted by NSI's Board of Directors to provide for the estimated costs in the event of winding up the operations of NSI.

7. Deferred contributions

	2012	2011
Administration	19,999	34,157
Aboriginal initiatives	1,285	14,856
Drama Prize	74,908	34,372
Featuring Aboriginal Stories Program	5,000	63,481
Features First	119,123	137,451
Global Marketing	-	40,374
Industry Centre	35,000	30,000
New Voices	46,668	61,551
Other initiatives	-	2,900
Short Film Festival	66,505	61,188
Totally Television	87,754	108,444
	456,242	588,774

For the year ended March 31, 2012

8. Revenues

	2012	2011
Contributions of goods and services (NOTE 2)	350	76,605
Foundations and trusts	3,425	20,568
Interest earned	3,956	2,696
Manitoba Culture, Heritage and Tourism	251,700	366,097
Municipal agencies	35,000	30,000
Private sector	623,316	719,750
Project revenue	41,018	14,885
Provincial agencies	64,000	59,000
Telefilm	335,075	615,717
	1,357,840	1,905,318

9. Commitments

NSI has negotiated a \$275,000 credit facility with RBC available at the borrower's option, a \$75,000 corporate Visa account for miscellaneous travel and other expenses, and a \$200,000 demand operating and/or overdraft loan secured by accounts receivable.

Interest on amounts due are payable at prime plus 1.25%. Security is a general security agreement registered in Manitoba. Notwithstanding compliance with covenants of the credit facility, borrowings are repayable on demand.

NSI entered into a three-year office lease for 4,056 square feet at 400–141 Bannatyne Avenue which commenced January 2012. Minimum annual rent is \$77,364.

NSI entered into a lease agreement for office equipment on January 1, 2011. Minimum annual payments are \$3,104.

10. Financial instruments

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

Credit concentration

Financial instruments that potentially subject NSI to concentrations of credit risk consist mainly of accounts receivable from private funders and government bodies. At March 31, 2012, NSI had 89% (2011 - 88%) in accounts receivable from two (2011 - two) sources. These amounts are considered collectible.

11. Economic dependence

A major portion of NSI's revenue is derived from donations and funding grants. As a result, any reduction in funding may affect the NSI's ability to continue future operations.

12. Capital management

NSI considers its capital to be the balance maintained in its Net Assets. NSI'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 training in the film, television and interactive media sectors.

NSI 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, NSI may decrease expenses.

NSI monitors capital on a quarterly basis. During the year, NSI's strategy, which was unchanged from the prior year, was to protect capital by maintaining a small excess of revenues over expenses.

All Programs Budgeted Projections

April 1, 2012 - March 31, 2013

	2012-13 Budget		2012-13 Budget		2012-13 Budget
Revenue		Expenses		Expenses	
Federal Government	-	Administration		Program Delivery	
Telefilm	253,425	Accounting/Audit	6,500	Advertising and Promotions	35,000
Municipal Government	30,000	Advertising and Promotions	18,500	Office Supplies	8,005
Province of Manitoba	251,700	Legal	7,615	Postage and Courier	3,197
Provincial Agencies	67,000	Bank and Service Charges	3,104	Photocopying Costs	261
Foundations	3,332	Insurance	4,450	Communications	5,786
Private Sector - Other	339,330	Board Costs	7,754	Contract Projects	177,441
Private Sector - Benefits	431,800	Communications	491	Staff Costs	541,116
Project Revenue	103,595	Premises Costs	81,607	Statutory Payroll Costs	30,935
Interest	2,700	Leasing/Interest/Depreciation	30,577	Health Care Benefits	34,633
Total Revenue	1,482,882	Office Maintenance/Services	13,453	RSP Benefits	21,214
		Office Supplies	1,333	Travel	134,815
		Postage and Courier	900	Production and Technical	39,367
		Travel	1,870	Meetings and Receptions	14,800
		Memberships	400	Awards and Bursaries	189,493
		Staff Costs	37,786	Memberships/Festival Registrations	11,073
		Statutory Payroll Costs	893	Venue Rental	17,076
		Health Care Benefits	865	Total Program Delivery	1,264,212
		RSP Benefits	572	Total Expenses	1,482,882
		Total Administration	218,670	Net Surplus / (Deficit)	-

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National Screen Institute - Canada (NSI) operates with ongoing funding from Core Funders: Manitoba Culture, Heritage and Tourism, the City of Winnipeg through the Winnipeg Arts Council; Benefactors: Shaw Media and Telefilm Canada; Patrons: CTV and the CTV/CHUM Benefits and Corus Entertainment; Builders: Rogers, The Brian Linehan Charitable Foundation and NBCUniversal; Contributor: Women in Media Foundation; Friends: ZoomerMedia, Blue Ant Media, Manitoba Lotteries and APTN.

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