Financial Statements

March 31, 2026

National Screen Institute

National Screen Institute - Canada

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To the Board of Directors of National Screen Institute - Canada:

Opinion

We have audited the financial statements of National Screen Institute - Canada ("NSI"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets (deficit) and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NSI as at March 31, 2026, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 NSI 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 the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 NSI’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 NSI or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the NSI’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 NSI's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 NSI'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 NSI 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.

Winnipeg, Manitoba

June 18, 2026

MNP LLP

Chartered Professional Accountants

National Screen Institute - Canada
Statement of Financial Position
As at March 31, 2026

	2026	*2025*
Assets		
Current		
Cash	**807,453**	357,095
Receivables from funders	**543,396**	1,015,875
Investments - GIC	**101,042**	353,725
Prepaid expenses	**13,309**	9,885
GST receivable	**25,034**	28,404
	1,490,234	1,764,984
Capital assets *(Note 3)*	**38,288**	53,347
	1,528,522	1,818,331
Liabilities		
Current		
Accounts payable and accruals *(Note 4)*	**127,916**	253,384
Deferred contributions *(Note 5)*	**1,376,096**	1,468,463
	1,504,012	1,721,847
Net Assets		
Invested in capital assets	**38,288**	53,347
Internally restricted *(Note 10)*	**16,500**	16,500
Unrestricted surplus (deficit)	**(30,278)**	26,637
	24,510	96,484
	1,528,522	1,818,331

Approved on behalf of the Board

"Virginia Thompson" — **Chair**

"Brad Pelman" — **Treasurer**

The accompanying notes are an integral part of these financial statements

National Screen Institute - Canada
Statement of Operations
For the year ended March 31, 2026

	2026	*2025*
Revenues		
Telefilm	**509,726**	524,388
Provincial government	**176,700**	176,700
Municipal government	**24,900**	24,900
Provincial agencies	**119,748**	204,258
Private sector	**767,455**	1,330,844
Foundations and trusts	**71,878**	120
Project revenue	**2,066**	22,106
Investment income	**14,524**	16,068
Federal government	**34,000**	32,931
Canada Media Fund	**262,901**	356,480
	1,983,898	2,688,795
Expenses		
Program delivery	**1,909,401**	2,509,320
Administration	**146,471**	175,265
	2,055,872	2,684,585
(Deficiency) excess of revenue over expenses	**(71,974)**	4,210

The accompanying notes are an integral part of these financial statements

National Screen Institute - Canada
Statement of Changes in Net Assets (Deficit)
For the year ended March 31, 2026

	Invested in capital assets	*Internally restricted*	*Unrestricted*	***2026***	*2025*
Net assets, beginning of year	**53,347**	**16,500**	**26,637**	**96,484**	92,274
(Deficiency) excess of revenue over expenses	**(15,059)**	**-**	**(56,915)**	**(71,974)**	4,210
Net assets (deficit), end of year	**38,288**	**16,500**	**(30,278)**	**24,510**	96,484

The accompanying notes are an integral part of these financial statements

National Screen Institute - Canada
Statement of Cash Flows
For the year ended March 31, 2026

	2026	*2025*
Cash provided by (used for) the following activities		
Operating		
(Deficiency) excess of revenue over expenses	**(71,974)**	4,210
Amortization	**15,059**	17,393
	(56,915)	21,603
Changes in working capital accounts		
Receivables from funders	**472,479**	217,755
Prepaid expenses and deposits	**(3,424)**	1,438
GST receivable	**3,370**	39,744
Accounts payable and accruals	**(125,468)**	42,222
Deferred contributions	**(92,367)**	(371,839)
	197,675	(49,077)
Investing		
Purchase of capital assets	**-**	(2,747)
Redemption (purchase) of investments - GIC	**252,683**	(97,058)
	252,683	(99,805)
Increase (decrease) in cash resources	**450,358**	(148,882)
Cash resources, beginning of year	**357,095**	505,977
Cash resources, end of year	**807,453**	357,095

1. Incorporation and nature of the organization

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 has its head office in Winnipeg, Manitoba.

Vision of NSI: "Storytellers create a culturally equitable world."

Mission of NSI "Through inclusive, customized training and mentorship, the National Screen Institute supports creators to change the world through the power of story."

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.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Revenue recognition

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

Contributed goods and services

NSI records contributions of donated goods and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated. The amount of contributed goods and services during the year was $nil (2025 - $nil).

Cash

Cash includes balances with banks and short-term investments with original maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is considered to be restricted cash. $16,500 (2025 - $16,500) of internally restricted cash (as described in Note 10) is included within cash on the statement of financial position and within cash resources on the statement of cash flows.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

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

	Years
Computer equipment	5 years
Computer software	5 years
Furniture and fixtures	8 years
Office equipment	5 years
Leasehold improvements	5 years

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 discounted 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.

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

Financial instruments

NSI recognizes financial instruments when the NSI becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm’s length transaction (“arm’s length financial instruments”) are initially recorded at their fair value.

At initial recognition, NSI may irrevocably elect to subsequently measure any arm’s length financial instrument at fair value. NSI has not made such an election during the year.

NSI subsequently measures investments in equity instruments quoted in an active market at fair market value. Fair value is determined by published prices. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

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

Financial asset impairment

NSI assesses impairment of all its financial assets measured at cost or amortized cost. NSI groups assets for impairment testing when there are numerous assets affected by the same factors. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments, in determining whether objective evidence of impairment exists. When there is an indication of impairment, NSI determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, NSI reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenues over expenses.

NSI reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenues over expenses in the year the reversal occurs.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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.

Receivables from funders are stated after evaluation as to their collectability. NSI currently has no allowance for doubtful accounts. 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.

Government assistance

Government assistance is recorded as revenue in the financial statements when there is reasonable assurance that NSI, has complied with, and will continue to comply with, all conditions necessary to obtain the assistance.

3. Capital assets

	Cost	*Accumulated amortization*	*2026 Net book value*
Computer equipment	**116,523**	**97,950**	**18,573**
Computer software	**1,274**	**1,274**	**-**
Furniture and fixtures	**26,348**	**10,371**	**15,977**
Office equipment	**5,790**	**2,626**	**3,164**
Leasehold improvements	**1,914**	**1,340**	**574**
	151,849	**113,561**	**38,288**

	Cost	*Accumulated amortization*	*2025 Net book value*
Computer equipment	116,523	87,028	29,495
Computer software	1,274	1,180	94
Furniture and fixtures	26,348	7,220	19,128
Office equipment	5,790	2,117	3,673
Leasehold improvements	1,914	957	957
	151,849	98,502	53,347

Total amortization expense for the year amounted to $15,059 (2025 - $17,393).

4. Accounts payable and accruals

	2026	*2025*
Accounts payable	**37,232**	123,538
Accrued liabilities	**13,067**	60,235
Vacation accrual	**77,617**	69,611
	127,916	253,384

5. Deferred contributions

	2026	*2025*
Balance, beginning of year	**1,468,463**	1,840,302
Amount received during the year	**1,900,727**	2,335,692
Less: Amount recognized as revenue during the year	**(1,993,094)**	(2,707,531)
	1,376,096	1,468,463

6. Credit facility

NSI has negotiated a $303,100 credit facility with RBC, available at the borrower's option, and can be drawn through a $85,000 corporate Visa account for miscellaneous travel and other expenses, a $18,100 3.76% fixed rate term loan, and a $200,000 revolving demand facility available by way of overdraft at prime plus 1.25%. No amounts were drawn on the Visa, term loan and overdraft credit facilities as at March 31, 2026 $nil (2025 - $nil).

Security is a general security agreement registered in Manitoba. Subject to compliance with covenants.

7. Commitments

NSI has three years remaining on an office lease for 1,736 square feet at 209–230 Main Street, Winnipeg, Manitoba, expiring March 31, 2029. Minimum annual lease payments are $13,888 for the year ending March 31, 2027, $15,624 for the year ending March 31, 2028 and $17,360 for the year ending March 31, 2029.

NSI has 3 years remaining on a lease agreement for office equipment. Minimum annual payments are $1,188.

8. Financial instruments

NSI, as part of its operations, carries a number of financial instruments. It is management's opinion that NSI is not exposed to significant interest, currency, credit, liquidity or other price 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.

9. Economic dependence

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

10. Internally restricted net assets

The Board of Directors has approved that $nil (2025 - $nil) of the excess (deficiency) of revenue over expenses be restricted for the purpose of establishing the National Screen Institute Endowment Fund with The Winnipeg Foundation, and that $nil (2025 - $nil) in donations be restricted at the request of the donors for the purpose of contributing to the National Screen Institute Endowment Fund.

	2026	*2025*
Net assets internally restricted, beginning of year	**16,500**	16,500
Net assets internally restricted, end of year	**16,500**	16,500