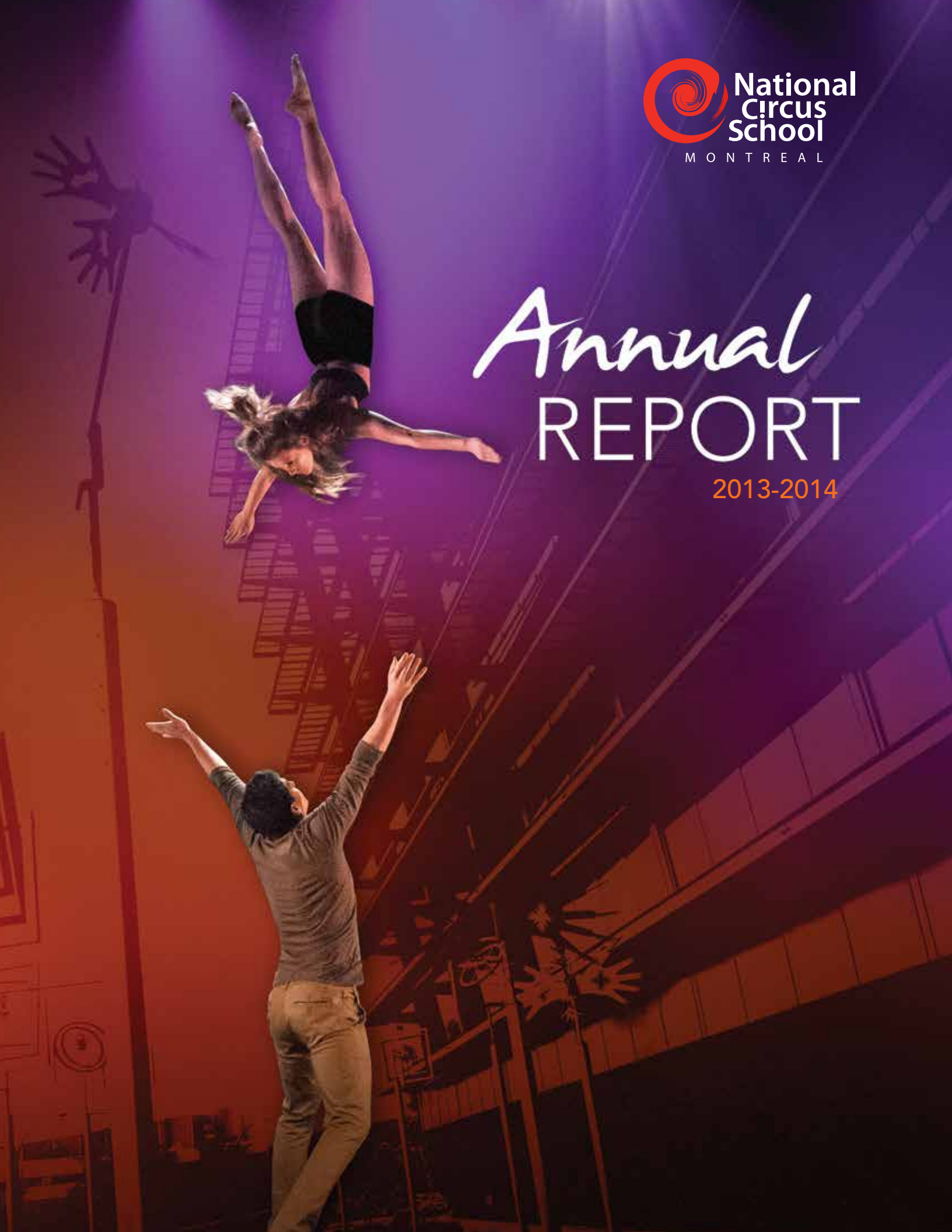


Annual REPORT

2013-2014







ANNUAL 2013 2014 REPORT

Table of Contents

5	Mission
6	Boards of Directors, Committees and Executive Team
7	Governments, Granting Agency and Associated organizations
8	Word from the School's and Foundation's Chairs
10	Executive Director's Report
14	Programs
15	Student Enrolment by Program
15	Applications and Admissions 2013-14
16	Class of 2014 - Higher Education in Circus Arts
17	Class of 2014 – Teacher training programs in Circus Arts
19	2013-2014 Audited Financial Statements

ANNUAL REPORT 13-14

National Circus School

36	National Circus School Foundation Annual Report
37	Mission
37	Fundraising Revenue Sources in 2013-2014
38	2013-2014 Fundraising Donors
39	Allocation of the Contribution to the National Circus School
40	Bursary Program
41	2013-2014 Audited Financial Statements

Mission

International in scope, the National Circus School is a higher-education institution for the arts providing programs at the high school and post-secondary levels. It is dedicated to the education and training of professional circus artists, as well as to research and innovation in the circus arts and their pedagogy.

Internationally renowned for highest-quality training, the School opens its doors to more than 170 students from around the world. Since its founding in 1981, the National Circus School has played a crucial role in the development of circus arts in Canada and abroad. As a pioneer of the circus renaissance in Canada, the School has also contributed to the emergence of such circus companies as Cirque du Soleil, Cirque Éloize and The 7 Fingers. The School has become a world reference in the teaching of circus disciplines. It is also renowned as an international research centre for circus arts. More than ever, the National Circus School today serves as an incubator of inspiration, where performers-creators and designers find their voices, stimulating greater diversity in circus art forms and aesthetics.



Boards of DIRECTORS¹

National Circus School - NCS And National Circus School Foundation – NCSF

Chair - NCS

Lili de Grandpré
Senior Partner
CENCEO

Chair - NCSF

David McAusland
Partner
McCARTHY TETRAULT

Vice-Chair and Secretary NCS - NCSF

Robert C. Nadeau
President
NADEAU CONSEIL INTERNATIONAL

Treasurer NCS - NCSF

Gilles Lapointe
Administrator

Members

Stéphane Achard
Senior Vice-President and General Manager,
Business and Institutional Services,
and Card and Payment Services
DESJARDINS GROUP

Jocelyn L. Beaudoin
President and CEO
FOUNDATION ON ANTIVIRALS

Claude Bédard
Vice-President
BURGUNDY ASSET MANAGEMENT LTD.

Sylvie Bovet
MARC BOURGIE FOUNDATION

Pierre Carrier
Employees' Representative
Teacher
NATIONAL CIRCUS SCHOOL

David J. Forest
Financial Security Advisor
DAVID FOREST FINANCIAL SERVICES

Isabelle Garneau
Parents' Representative
Coordinator – Chemistry
COLLEGE DE BOIS-DE-BOULOGNE

Sébastien Guénette
Legal Director, Litigation and Compliance
JTI – MACDONALD CORP.

Robert Hoppenheim
Founder
HOPPENHEIM & CO.

Marc Lalonde
Executive Director
NATIONAL CIRCUS SCHOOL

Catherine Laurin
Investment Advisor
ANDERSON LAURIN INVESTMENT
MANAGEMENT BMO NESBITT BURNS

Carol O'Sullivan
Designer

Bernard Petiot
Vice-President, Casting and Performance
CIRQUE DU SOLEIL

Executive Committee

Lili de Grandpré, Co-Chair
David McAusland, Co-Chair
Gilles Lapointe
Robert C. Nadeau

Bursary Committee

Sylvie Bovet, President
Lili de Grandpré
Hélène Dufresne

Finance Committee

Gilles Lapointe, President
Robert C. Nadeau, VP Investment
Claude Bédard
Catherine Laurin

Nomination Committee

Robert C. Nadeau, President
Lili de Grandpré
Catherine Laurin
David McAusland

Services Committee

Lili de Grandpré, President
Sylvie Bovet
Pierre Carrier
Isabelle Garneau
Sébastien Guénette
Bernard Petiot

¹ As of October 1, 2014

Executive Team

Marc Lalonde
Executive Director

Daniela Arendasova
Director of Studies

Howard Richard
Director of Creation

Éric Langlois
Administrative Director

Christophe Rousseau
Director of Communications

Patrice Aubertin
Director of Research and Teacher Training
Program, SSHRC Industrial Research Chair
for Colleges in Circus Arts

GOVERNMENTS and Granting Agency

The National Circus School receives financial support from the Ministère de la Culture et des Communications du Québec through the Programme d'aide au fonctionnement pour les organismes de formation supérieure en arts as well as from the Department of Canadian Heritage through the Canada Arts Training Fund Program.

The School is also accredited to receive subsidies by Quebec's Ministère de l'Éducation, du Loisir et du Sport and Ministère de l'Enseignement supérieur, de la Recherche et de la Science. For its international exchanges, the School receives the support of Ministère des Relations internationales et de la Francophonie du Québec.

In the area of research, the School has received grants from the Social Sciences and Humanities Research Council of Canada as well as the Natural Sciences and Engineering Research Council of Canada and further assistance from Quebec's Ministère de l'Enseignement supérieur, de la Recherche et de la Science.



Patrimoine
canadien

Canadian
Heritage

Canada



Conseil de recherches en
sciences humaines du Canada

Social Sciences and Humanities
Research Council of Canada

Canada

ASSOCIATED Organizations

The National Circus School is a member of the following organizations:

- Tohu - La Cité des arts du cirque
- En Piste - The National Circus Arts Network
- ADESAM - Montreal's Professional Arts Schools Association
- FEDEC - European Federation of Professional Circus Schools
- FEEP - Fédération des établissements d'enseignement privés
- ACPQ - Association des collèges privés du Québec
- ACQ - Association des camps du Québec



Report of the School and Foundation Chairs

June 2014 saw the spectacular conclusion of both the National Circus School's 33rd school year and 22th fiscal year of the NCS Foundation. As respective chairs of the School and Foundation, we are proud to present this joint Annual Report for the two organizations.

Beyond providing financial results that show the responsible management of public and private financial resources entrusted to the School and the efficiency of its programs and services, this report is testimony to the exceptional contribution of our institution, not only to the profession and industry, but to society as a whole.

The School has succeeded in sustaining its financial situation through challenging fiscal times for governments, thanks to our many steadfast donors, especially the Cirque du Soleil who supports our educational efforts and social circus research projects. We have attracted new partners, notably Natrel, a division and premium milk brand of Agropur Cooperative, a leader in the Canadian dairy industry, of which we are particularly proud. This partnership developed naturally, as the National Circus School and Natrel share the values of enthusiasm, respect and creativity coupled with a desire for excellence. Natrel's three-year commitment will help ensure that the School can continue to produce and present the Annual Shows at affordable prices to the general public and school audiences, and continue the audition tours that make our institution more accessible to talented young people in communities throughout Canada.

In the area of human resources, we have an experienced and enlightened management team in which we have every confidence, an effective and devoted faculty, and efficient and dedicated administrative and support teams. Moreover, we are able to count on a circle of board members and volunteer consultants who provide rigorous

governance and participate actively and generously in fundraising efforts. We sincerely thank and congratulate everyone for their contributions.

Finally, we thank Yves Bolduc, Quebec minister of Education, Recreation and Sports and of Higher Education, Research and Science; H       David, Quebec minister of Culture and Communications; and Shelly Glover, federal minister of Canadian Heritage for their renewed support of the National Circus School's operations.

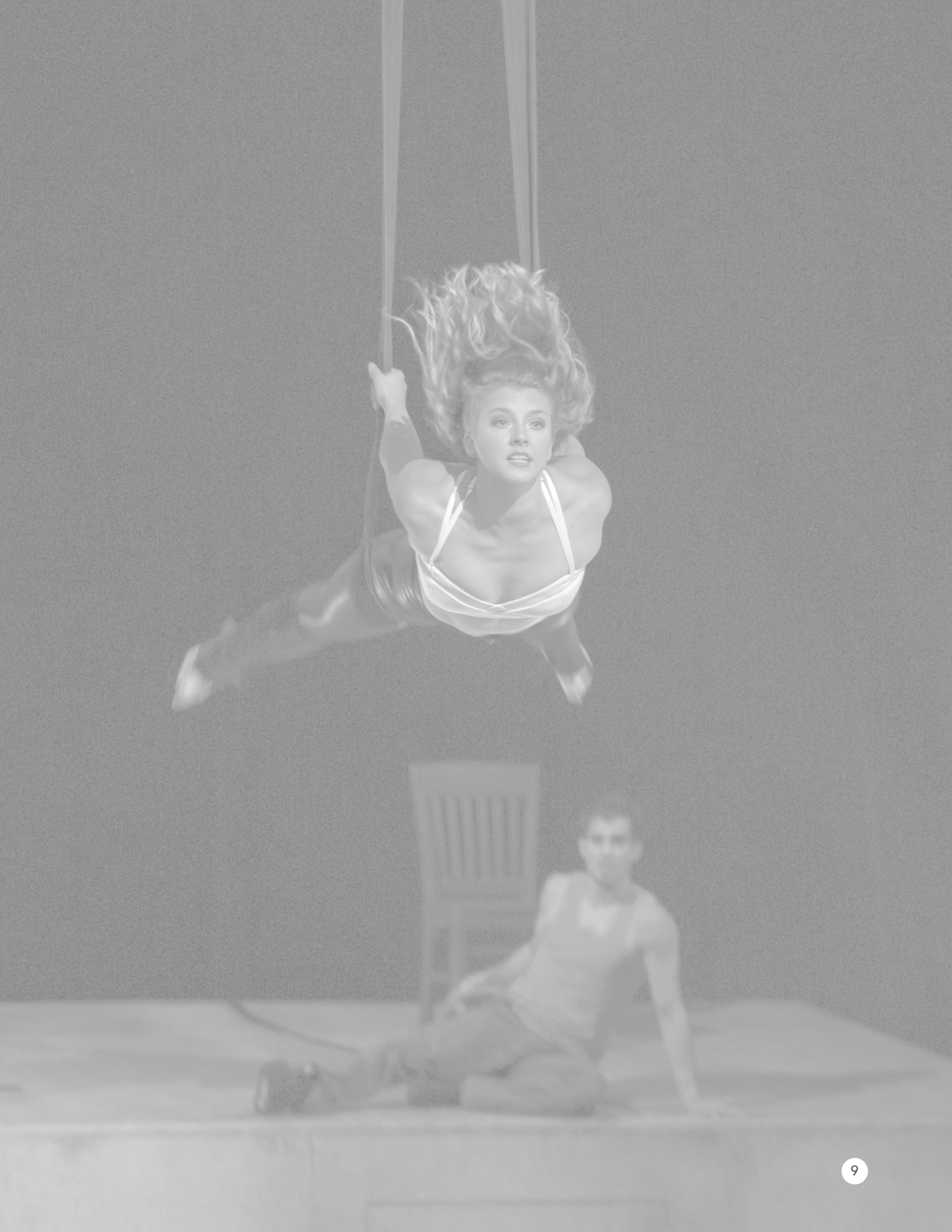
We use the occasion of this report to mark the passing of two important figures in the history of the School who left us over the summer, Jean Garon and Marcel Masse. The former served as Quebec minister of education at a time when accrediting professional training of circus artists with a state-sanctioned diploma was met with strong resistance. He had the courage to approve the establishment of a college diploma in circus arts and accredited our School to offer it in 1995. It was a turning point in the School's history. As Minister of Communications, Marcel Masse was the first federal political figure to commit the government of Canada to supporting our School. He did so in 1989, thereby admitting the NCS to the ranks of major Canadian art schools when the new circus was a phenomenon largely confined to Montreal. His actions expanded the pan-Canadian scope of our School. We salute their memories and are grateful to the men and women in politics who continue their work by recognizing and defending the relevance of our cultural and educational efforts.

Once again, as required by Quebec's Loi sur le minist  re du Conseil ex  cutif, we declare that the boards of directors of the School and the Foundation have noted no situation of real or apparent conflict of interest in which their members may have been placed during the 2013-2014 school year.¹

Lili de Grandpr  
Chair, Board of Directors
National Circus School

David McAusland
Chair, Board of Directors
National Circus School Foundation

¹ The Code of Ethics and Professional Conduct for directors of the National Circus School is available on the website.





Executive DIRECTOR'S Report

It was a strong showing in June 2014, with a cohort of 32 graduates! Our recent graduating classes are, in fact, the largest to receive diplomas from any professional circus school in the world.

This high graduation rate is impressive, especially given the undeniable level and quality of the young, newly minted professionals emanating from the NCS. This was evidenced during the two Annual Shows presented before audiences last June that attracted more than 17,000 circus spectators to Tohu. It reinforces the School's reputation as an international leader that continues to attract many new and exceptional candidates, which in turn enables it to maintain very high selection criteria and teaching standards. These requirements are also the best service we can render to the profession and those who aspire to become professional circus artists. As well, the record cohort of graduates all passed their comprehensive program assessments, and had no trouble entering the labour market as circus artists within the first few months of leaving the School. The placement rate of our graduates thus remained maximal.

For the past three years, the School's higher artistic education programs nonetheless have reached full capacity, given our human, physical and financial resources. That said, the School could accommodate a greater number of young Canadian students into the preparatory and high school programs, and ensure a better recruitment for the final level. As it happens, the five 2014 graduates of the high school program all received a diploma and are currently pursuing a college education. In this context, the college "upgrade" program remained an effective gateway for many Canadian candidates who had little chance to train adequately in the circus arts during high school. Ten of the 12 candidates successfully passed this "propaedeutic" and were finally admitted to the college-level program for 2014-2015.

The School continued active recruitment efforts in Canada during the 2013-2014 year, with pre-selections and Entrance Exams held in 17 Canadian cities. The School admitted more students to the preparatory programs and slightly decreased the number of college recruits. In anticipation of recruitment for the year 2015-2016, the School has developed partnerships with Montreal-area primary and secondary public schools for the shared provision of circus preparatory curriculum as a springboard to NCS full-time high school and college programs.

Meanwhile, the circus arts teacher training programs have led to the awarding of diplomas to 12 professionals, of which five have focused on social or educational circus settings and seven on professional training.

In order to make the professional and ongoing training of circus teachers more widely available in all regions of the country, the School has tested and validated the online English version of its Instructor program in circus arts. Building on this innovation, unique in the world, the School very soon will offer its virtual Instructor program in both languages.

In this fourth year of its existence, the School's research department continued the work of its Industrial Research Chair for Colleges in Circus Arts of the Social Sciences and Humanities Research Council of Canada, and had its status confirmed by the creation of the Centre de recherche, d'innovation et de transfert en arts du cirque (CRITAC) (Centre for Research, Innovation and Transfer in Circus Arts) at the School. Having gained the recognition of the federal government, CRITAC has developed a five-year plan in support of an application for recognition from the province as a College Centre for Technology Transfer and Innovative Social Practices (CCTT-PSN). The School over the past year has consolidated a true pan-Canadian and international network of researchers and research partners in aid of advancing knowledge in circus arts teaching and its social applications, and of innovation that will benefit students and teachers as well as artists and professional organizations.

Our student services remain relevant and more efficient than ever :

- In health services, our multidisciplinary team of therapists specializing in circus arts provided on average close to 27 consultations and treatments per student within our walls.
- The financial aid department assisted 60 students with their applications for public and private aid. This support has facilitated the granting of loans or bursaries to 44 students, with 33 of the bursaries being offered by the National Circus School Foundation.
- In addition to their regular training, the students had the option to participate in 48 creation, research or professional insertion internships, or international exchanges.

- With around 11,500 documents, our specialized library has received 14,500 visits by students and researchers.
- The housing services accommodated 82 young students from all regions of Canada during the regular school year and preparatory summer camps.

The 2013-2014 year saw the retirement of several long-time employees to whom we are most grateful. Martine Haug, a pioneer in the teaching of contemporary dance in Canada, taught for 15 years at the School and now concludes a career in arts education spanning half a century. Alexandre Arnaoutov and his wife Tatiana Lissetsova respectively taught twenty and eight years at the School and have passed on their long experience in hand-to-hand and the aerial or Russian cradle. Their former students will shine for a long time in the circus world.

Alain Lachance, the “front man” for several generations of School students, left his post at the front desk after 25 years of loyal reception and information-dispensing services.

Despite this natural attrition, our teaching, technical and administrative staffs retained their depth and remain rich in individuals with diverse experiences.

Spring 2014 marked the 25th anniversary in the career of our Director of Studies, Daniela Arendasova. An international-level rhythmic gymnast, she later studied gymnastics training and choreography. Daniela began teaching contortion at the School in 1988, and by 1992 was heading the teaching department for our institution. It was under her able leadership that NCS programs developed and gained international recognition. We hope that the School will continue to be guided for a long time by the example of her academic rigor. Her passion and deep commitment to the students’ success and progress are invaluable to both our institution and the entire circus arts community.

Despite the budgetary efforts required by the Quebec’s Ministère de l’Enseignement supérieur, de la Recherche et de la Science and stagnant grant revenues, the School concluded its fiscal year in financial balance thanks to increased tuition revenue and Foundation grants. The proportion of revenues from private sources thus increased by one point to 35 percent of operating income.



Regarding the School's Foundation, the exceptional surplus shown in the audited results can be explained mainly by unrealized investment gains that now must be accounted for. Fundamental prudence dictates that we do not consider these as definitive surplus assets but rather maintain a conservative approach to their use, particularly towards maintaining a constant dollar value of the capital endowed.

The Foundation nonetheless granted to the School more than \$ 402,000, contributing nearly \$ 326,000 toward general operations, \$ 5,000 for fixed assets, and over \$ 71,000 in bursaries.

Clearly, the School's contribution to the profession, industry and society as a whole is not measured solely by the number of graduates who enter the profession each year, despite what was said in the introduction.

The School provides a path for young people who have already taken the first steps in developing exceptional acrobatic, physical and theatrical skills, which thus gain a broader significance.

It also provides development opportunities in design and creation for established artists, who find in the circus a vector for creativity.

Award-Winning National Circus School Alumni

Laurence Tremblay-Vu (2013)

GOP Award Entertainment Group, Solycirco Festival 2013, Sylt, Germany (tight wire)

Maxime Poulin (2013)

Circus Roncalli Award and Stage Character Award, Solycirco Festival 2013 (acrobatic bicycle)

Simon Nadeau (2009)

Children Jury Award, Solycirco Festival 2013, Sylt, Germany, (ladder)

Francis Perreault (2013)

*Silver Price Media Jury Award, 6th Mondial Circus Arts Festival, Moscow, Russia (Cyr wheel)
Bronze Medal, First International China Festival (Cyr wheel)*

Pierre-Antoine Chastang and Morgane Tisserand (2013)

Silver Medal, 35th Festival Mondial du Cirque de Demain, France (dance trapeze)

Naomie Zimmermann-Pichon and Renaldo Williams (2013)

Silver Medal, 35th Festival Mondial du Cirque de Demain, France, France (hand to hand)

Kyle Driggs (2013)

Silver Medal, 35th Festival Mondial du Cirque de Demain, France, (juggling)

Jérôme Sordillon (2013)

Bronze Medal, 35th Festival Mondial du Cirque de Demain, France, France (aerial straps)

Evelyne Paquin-Lanthier and Shannon Gélinas (2012)

Golden Star and Cirque Monti Award, Youngstage Festival, Germany (fixed trapeze duet)



And, many of these artists and graduates create their own companies, enriching the diversity of circus arts here and abroad, as did the best-known local companies, Cirque Éloize and The 7 Fingers. We are currently witnessing a proliferation of initiatives by School graduates with Circus fœtus, Les Improbables Collective, Cie de la Barbotte, Cie Et des hommes et des femmes, Cie Tête d'enfant, Cirque Alphonse, Impro Cirque, Les Parfaits inconnus, Machine de cirque, Nadère arts vivants, T2C, Underground Circus or Vagues de cirque in Canada. There is also Acrobatic Conundrum (USA), Cirque Le Roux (France), Cirque Trottola (France), Compagnie de Genève (Switzerland), FAQ Circus (USA), Okidok (Belgium), Cie du Poivre rose (Belgium) and Un loup pour l'homme (France), etc.

In terms of research, the School contributes original approaches to the development of healthy lifestyle habits and creativity among young people through integrating the circus arts into their academic and social educations, and recreational pursuits.

With regard to innovation, we promote a rich environment for acrobatic experimentation and the development of innovative performances, unique works and new knowledge that is immediately transferrable to small creative and production companies, and equipment suppliers.

The School offers a range of technical services to professional artists and organizations in partnership with Tohu, la Cité des arts du cirque, as well as referral services and assistance to independent researchers.

The School's cultural activities aimed at young people helped 10,500 school-age youth attend quality contemporary circus performances, and introduced 250 young people to the circus arts over the past year.

Our team can be proud of these achievements.



Marc Lalonde
Executive Director
National Circus School

PROGRAMS

- **Preparatory - PFS**

The first level of professional training, this extra-curricular program is aimed at students 9 to 13 years old. It is a preparatory program for Circus and High School Studies program that allows students to continue their education in another school.

- **Circus and High School Studies - CES**

This arts-academic program is offered to students in grades 7 through 11. It combines required academic subjects as outlined by the Quebec secondary school curriculum with professional training in the circus arts. After obtaining their high school diploma, students pursue higher education through the Diploma of College Studies in Circus Arts (DEC) program.

- **Diploma of College Studies in Circus Arts - DEC**

This 3-year program marks the pinnacle of higher education in the circus arts and leads directly to a professional career. Graduates receive a college diploma, Diploma of College Studies in Circus Arts or DEC, from Quebec's Ministère de l'Enseignement supérieur, de la Recherche et de la Science (MESRS). Intended for Canadian students who have completed their high school studies, the program combines specialized training in the circus and performing arts with the general college curriculum.

- **Diploma of National Circus School Studies - DEE**

Intended exclusively for foreign students who have completed their high school studies, this 3-year program constitutes the final phase of higher education in the circus arts. Graduates receive a diploma from the School, as they prepare for a professional career.

- **Creation and Exploration Workshop for Graduates**

As a complement to its higher education programs, the School offers graduates and advanced students a chance to participate in a professional immersion session. The objective of this workshop is to integrate and enhance the talents of young artists while affording them the complete experience of creating a contemporary circus work under the direction of a creator and stage director.

- **Assistant Instructor - NRC.0V, Instructor - NRC.08 and Trainer - NRC.09 - AEC**

The National Circus School offers three specialized programs: Assistant Instructor, Instructor and Trainer in Circus Arts. The aim is to prepare teaching professionals versed in the circus arts able to provide high quality, safety-conscious training from introductory to advanced levels. Programs lead to an Attestation of College Studies (AEC) accredited by Quebec's MESRS.



STUDENT Enrolment by Program

Professional studies	13-14	14-15
Preparatory	23	22
Circus and High School Studies - CES	23	28
Diploma of Higher Education - DEC - DEE	102	99
Creation and Exploration Workshop for Graduates - AEC	0	7
Teacher Training Programs - AEC	17	29
Total	165	185

Initiation Activities		
Summer Camps	105	128
Recreational program - Registration/session	372	N/D
Total	642	N/D

Applications and Admissions 2014-2015

	2014-2015		Average of 5 years	
	App.	Admis	App.	Admis
Preparatory - Circus and High School Studies - CES	286	20	232	20
Diploma of Higher Education - DEC - DEE	230	40	241	44
Teacher Training Programs - AEC	36	30	23	19
Total	552	90	496	83

The National Circus School would like to thank the circus schools and sports organizations from which emanated many of the new students admitted in the CES, DEC, DEE 2014-2015 programs:

Art Corps, Quebec, Canada
 Beijing International Art School, China
 Big top School of Circus Arts, Ontario, Canada
 Boulder Circus Center, CO, United States
 Centre des arts du cirque Baltazar, France
 Centre régional des arts du cirque de Lomme, France
 Circus Harmony, MO, United States
 Circus Smirkus, VT, United States
 Circus Juventas, MN, United States
 Circus Center of San Francisco, CA, United States
 Club de gymnastique Laval Excellence, Quebec, Canada
 Club de gymnastique Gadbois, Quebec, Canada
 Club de gymnastique Flex-Art, Quebec, Canada
 Club de gymnastique Gymnika, Quebec, Canada
 Club de Gymnastique Flip Gym, Quebec, Canada
 Club de Gymnastique Les Réflexes, Quebec, Canada
 Club de trampoline Acrosport Barani, Quebec, Canada
 Club Gymnacentre, Quebec, Canada

École de cirque de Verdun, Quebec, Canada
 École de cirque et gymnastique de Châteauguay, Quebec, Canada
 École de cirque Zöfy, Suisse
 École Horizon-Soleil, Quebec, Canada
 Ecole nationale des arts du cirque de Rosny-sous-Bois, France
 École polyvalente de Disraëli Quebec, Canada
 École Trapèze le Voltigeur, Quebec, Canada
 Esh Aerial Arts, MA, United States
 Flying Fruit Fly Circus, Australia
 Imagination Circus Arts, CO, United States
 National Institute of Circus Arts, Australia
 New England Center for Circus Arts, VT, United States
 San Diego Center for Circus Arts, CA, United States
 School of Acrobatics and New Circus Arts, WT, United States
 Toronto School of Circus Arts, Ontario, Canada
 Vancouver Circus School, British-Columbia, Canada
 Vertical Zone Trampoline Centre, Ontario, Canada
 Whistler Gym club, British-Columbia, Canada

CLASS OF 2014

Higher Education of Circus Artists



Laurie Adornato,
generalist



Zackary Arnaud,
Boris Fodella and
Pablo Valarcher,
Korean board



Sascha Bachmann,
Handstand



Sidney Bateman and
Melvin Diggs,
Generalists



Anouk Blais and
Guillaume Mesmin,
Fixed trapeze duet



Eric Brown,
Cyr wheel



Justin Buss,
Cyr wheel



Dominic Cruz et
Marta Henderson,
Generalists



Lindsay Culbert-Olds
and Kia Melinda,
Fixed trapeze duet



Noëmi
Fallu-Robitaille,
Rope



Mishannock Ferrero
and Émile Pineault,
Hand to hand



Nicolas Jelmoni and
Charlotte O'Sullivan,
Hand to hand



Émile Mathieu-Bégin,
Unicycle



Harley McLeish,
generalist



Manae Miikeda,
Russian cradle



Johan Prytz,
Aerial straps



Kerttu Pussinen,
Aerial straps



Seth Scheuner,
Swinging trapeze



Cooper Stanton,
Swinging trapeze



Emma Stones,
Swinging trapeze



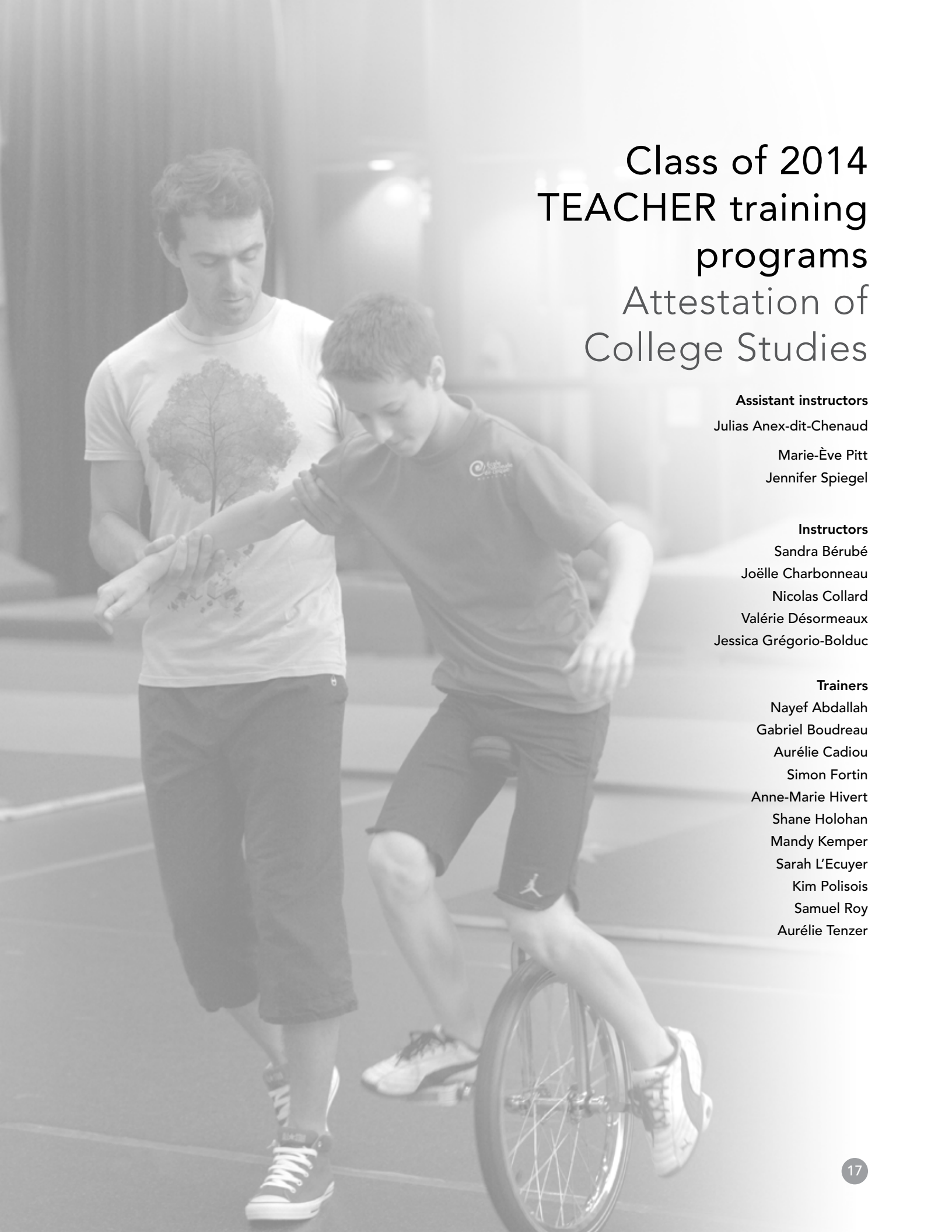
Daniel Sullivan,
Aerial hoop



Olivier Sylvestre,
German wheel



Lea Toran Jenner,
Cyr wheel

A grayscale photograph of a man and a young boy in a gymnasium. The man, wearing a white t-shirt with a tree graphic and dark pants, is standing and assisting the boy. The boy, wearing a dark t-shirt and shorts, is balancing on a unicycle. The background is a blurred gymnasium with a basketball hoop visible.

Class of 2014 TEACHER training programs Attestation of College Studies

Assistant instructors

Julias Anex-dit-Chenaud

Marie-Ève Pitt

Jennifer Spiegel

Instructors

Sandra Bérubé

Joëlle Charbonneau

Nicolas Collard

Valérie Désormeaux

Jessica Grégorio-Bolduc

Trainers

Nayef Abdallah

Gabriel Boudreau

Aurélié Cadiou

Simon Fortin

Anne-Marie Hivert

Shane Holohan

Mandy Kemper

Sarah L'Ecuyer

Kim Polisois

Samuel Roy

Aurélié Tenzer



Financial statements of École nationale de cirque

une 30, 2014

Independent auditor's report.....	1–2
Statement of revenue and expenses	3
Statement of changes in net assets.....	4
Balance sheet	5
Statement of cash flows.....	6
Notes to the financial statements.....	7–13
Schedule 1 – Schedule of grants and contributions	14
Schedule 2 – Schedule of donations from Fondation de l'École nationale de cirque	15

Independent auditor's report

To the Members of the Board of Directors of
École nationale de cirque

We have audited the accompanying financial statements of École nationale de cirque, which comprise the balance sheet as at June 30, 2014, and the statements of revenue and expenses, 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 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.

Auditor's 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 auditor's 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 École nationale de cirque as at June 30, 2014, and the results of its operations and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations.

Additional information

Without modifying our opinion, we draw your attention to the fact that we also expressed an opinion on the financial statements included in the annual financial reporting presented to the ministère de l'Éducation, du Loisir et du Sport du Québec, on a prescribed form, for the year then ended.

Deloitte LLP

October 1, 2014

¹ CPA auditor, CA, public accountancy permit no A116671

École nationale de cirque
Statement of revenue and expenses
Year ended June 30, 2014

	2014	2013
	\$	\$
Revenue		
Grants and contributions – Schedule	4,162,463	4,034,490
Tuition fees	899,332	913,837
Contract for training services	7,573	7,678
Rental of premises and equipment	339,736	333,861
Shows and festivals	325,737	268,197
Donations from Fondation de l'École nationale de cirque – Schedule	397,222	421,048
Hosting services	159,180	121,475
Amortization of deferred capital assets grants	489,964	489,964
Amortization of deferred capital assets donations	42,770	42,670
Other	26,317	23,944
	6,850,294	6,657,164
Expenses		
Salaries and fees	3,907,836	3,887,316
Fringe benefits	557,933	492,584
Professional fees	403,650	378,558
Supplies and purchases	457,172	424,648
Travel, communications and information	335,681	304,125
Contract services	304,650	301,884
Rental equipment	96,180	88,441
Students financial assistance	71,440	74,320
Insurance and permits	46,016	45,032
Maintenance of equipment and building	29,094	30,788
Bad debts	7,817	1,730
Financial expenses	17,217	18,244
Interest on bank loan	—	549
Amortization of capital assets	615,036	606,008
	6,849,722	6,654,227
Excess of revenue over expenses	572	2,937

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

École nationale de cirque

Statements of changes in net assets

Year ended June 30, 2014

	Notes	Invested in capital assets	Restricted (Note 14)	Unrestricted	Total
		\$	\$	\$	\$
Balance, on June 30, 2012		1,232,133	150,000	(542,005)	840,128
Capital transfer – Fondation de l'École nationale de cirque	13	—	(96,432)	—	(96,432)
Excess of revenue over expenses		—	—	2,937	2,937
Purchase of capital assets		104,187	—	(104,187)	—
Amortization of capital assets		(606,008)	—	606,008	—
Grants and donations received for financing of capital assets		(5,000)	—	5,000	—
Amortization of deferred capital assets grants and donations		532,634	—	(532,634)	—
Balance, on June 30, 2013		1,257,946	53,568	(564,881)	746,633
Excess of revenue over expenses		—	—	572	572
Purchase of capital assets		80,314	—	(80,314)	—
Amortization of capital assets		(615,036)	—	615,036	—
Grants and donations received for financing of capital assets		(5,000)	—	5,000	—
Amortization of deferred capital assets grants and donations		532,734	—	(532,734)	—
Balance, on June 30, 2014		1,250,958	53,568	(557,321)	747,205

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

École nationale de cirque

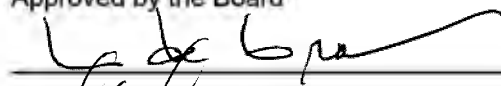
Balance sheet

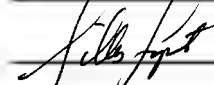
As at June 30, 2014

	Notes	2014 \$	2013 \$
Assets			
Current assets			
Cash		65,713	73,511
Investment, term deposit at rates of 1.10%		600,469	950,323
Accounts receivable	3	674,138	426,523
Operating grants receivable	4	90,000	67,419
Current portion of grants and donations related to construction receivable	5	87,945	84,459
Prepaid expenses		50,688	43,716
		<u>1,568,953</u>	<u>1,645,951</u>
Grants and donations related to construction receivable	5	2,034,426	2,117,371
Capital assets	6	<u>21,736,802</u>	<u>22,271,524</u>
		<u>25,340,181</u>	<u>26,034,846</u>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8	695,217	724,408
Deferred revenue		164,769	179,860
Deferred operating grants		1,130,009	1,173,771
Current portion of deferred capital assets grants and donations	9	524,137	515,600
Current portion of long-term debt	10	82,945	79,459
		<u>2,597,077</u>	<u>2,673,098</u>
Deferred capital assets grants and donations	9	19,961,707	20,497,978
Long-term debt	10	<u>2,034,192</u>	<u>2,117,137</u>
		<u>24,592,976</u>	<u>25,288,213</u>
Net assets			
Invested in capital assets		1,250,958	1,257,946
Restricted	13	53,568	53,568
Unrestricted		(557,321)	(564,881)
		<u>747,205</u>	<u>746,633</u>
		<u>25,340,181</u>	<u>26,034,846</u>

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

Approved by the Board


_____, Director


_____, Director

École nationale de cirque

Statement of cash flows

Year ended June 30, 2014

	Notes	2014 \$	2013 \$
Operating activities			
Excess of revenue over expenses		572	2,937
Items not affecting cash			
Amortization of capital assets		615,036	606,008
Amortization of deferred capital assets grants		(489,964)	(489,964)
Amortization of deferred capital assets donations		(42,770)	(42,670)
		82,874	76,311
Changes in non-cash-operating working capital items	(1)	(365,212)	551,816
		(282,338)	628,127
Financing activities			
Repayment of long-term debt		(79,459)	(76,179)
Increase in deferred capital assets grants		84,459	76,119
		5,000	(60)
Investing activities			
Capital transfer – Fondation de l'École nationale du cirque		—	(96,432)
Purchase of capital assets		(80,314)	(104,187)
		(80,314)	(200,619)
Increase in cash and cash equivalents		(357,652)	427,448
Cash and cash equivalents, beginning of year		1,023,834	596,386
Cash and cash equivalents, end of year		666,182	1,023,834

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

(See additional information presented in Note 11.)

Non-cash transactions

During the year 2014, grants were obtained relating to capital assets for a total amount of \$5,000, but were not cashed as at June 30, 2014.

1. Description of the Institution

École nationale de cirque (the "Institution"), a non-for-profit organization, was incorporated under Part III of the Québec Companies Act and is recognized as a charitable organization under the Income Tax Act. The Institution provides specialized circus training for individuals aged from 9 to 30 years.

2. Accounting policies

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

Cash and cash equivalents

The school policy is to present cash and cash equivalents, bank balances and treasury deposit with a maturity that not exceeds three months from the date of acquisition.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Institution becomes a party to the contractual provisions of a financial instrument. Subsequently, all financial instruments are measured at amortized cost, except for investments that are measured at fair value at the balance sheet date. The fair value of investments is based on the latest closing price and the fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments. Interest earned on short-term investments, unrealized gains and losses and realized gains and losses on sale of short-term investments are included in revenue in the statement of revenue and expenses.

Transaction costs related to financial instruments measured at fair value subsequent to initial recognition are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Institution recognizes in net earnings an impairment loss, if any, when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to revenue and expenses in the period the reversal occurs.

Revenue recognition

The Institution uses the deferral method to record contributions such as grants. Restricted contributions are transferred to revenue when related expenses are incurred. Unrestricted contributions are transferred to revenue when they are received or to be received if the amount is fixed or determinable and collection is reasonably assured.

Capital assets contributions are deferred and transferred to revenue following the same method as the amortization of capital assets that were purchased with those specific contributions.

Registration fees and tuition fees are recognized in the year to which they relate.

Revenue from shows, festivals and special events are recorded when the events occur.

Donations other than capital assets donations are transferred to revenue when they are received or to be received if the amount can be reasonably estimated and collection is reasonably assured. Capital assets donations follow the same recognition method as the capital assets contributions.

2. Accounting policies (continued)

Capital assets

Capital assets are recorded at cost. Amortization is computed on a straight-line method over the following terms:

Building	50 years
Office furniture	5 years
Training equipment	10 years
Computer equipment	3 years
Interior layout	30 years
Exterior layout	10 years
Audiovisual equipment	5 years
Apparatus and tools	5 years
Medical services equipment	5 years
Integrated equipment	25 years
Scene equipment	5 years

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

Use of estimates

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Key components of the financial statements requiring management to make estimates include the provision for doubtful accounts in respect of receivables and the useful lives of long-lived assets. Actual results could differ from these estimates.

3. Accounts receivable

	2014	2013
	\$	\$
Donation receivable – Fondation de l'École nationale de cirque	271,308	154,517
Accounts receivable – other	250,221	229,420
Sales taxes	43,011	42,586
Research grants	109,598	—
	674,138	426,523

4. Operating grants receivable

	2014	2013
	\$	\$
Balance, beginning of year	67,419	338,890
Revenue for the year (Schedule)	3,822,974	3,816,523
Collections	(3,800,393)	(4,087,994)
Balance, end of year	90,000	67,419

5. Grants and donations related to capital assets receivable

	2014	2013
	\$	\$
Grant from ministère de la Culture et des Communications du Québec (Note 10)	2,117,371	2,196,830
Donation from Fondation de l'École nationale de cirque	5,000	5,000
	2,122,371	2,201,830
Current portion	87,945	84,459
	2,034,426	2,117,371

6. Capital assets

	2014		2013	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Land	16,069	—	16,069	16,069
Building	26,125,650	4,817,071	21,308,579	21,828,680
Office furniture	193,216	164,128	29,088	55,477
Training equipment	339,298	169,677	169,621	185,857
Computer equipment	79,096	54,758	24,338	10,691
Interior layout	9,382	1,892	7,490	7,803
Exterior layout	21,169	3,486	17,683	19,469
Audiovisual equipment	37,162	19,374	17,788	7,938
Apparatus and tools	62,776	43,444	19,332	9,781
Medical services equipment	9,710	6,258	3,452	3,289
Integrated equipment	145,105	30,509	114,596	120,400
Scene equipment	11,534	2,768	8,766	6,070
	28,050,167	5,313,365	21,736,802	22,271,524

École nationale de cirque

Notes to the financial statements

June 30, 2014

7. Bank loan

The Institution has a credit agreement for an authorized amount of \$350,000, bearing interest at prime rate of "Caisse centrale Desjardins" plus 3%, guaranteed by a first-ranking hypothec on the building and the universality of present and future receivables, renewable annually. As at June 30, 2014, the bank loan was unused.

8. Accounts payable and accrued liabilities

	2014	2013
	\$	\$
Accounts payable – Fondation de l'École nationale de cirque	33,476	35,400
Trade accounts payable	284,505	342,854
Salaries and employee benefits	215,221	225,848
Government remittances payable	162,015	120,306
	<u>695,217</u>	<u>724,408</u>

9. Deferred capital assets grants and donations

	2014		2013	
	Grants	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Grant from the ministère de la Culture et des Communications du Québec	19,652,045	3,903,896	15,748,149	16,155,964
Grant from ministère du Patrimoine canadien	1,899,564	231,051	1,668,513	1,719,903
Capitalized interest	1,524,028	320,049	1,203,979	1,234,460
Donations from the Fondation de l'École nationale de cirque	2,208,000	345,010	1,853,990	1,891,760
Bid revenue	12,150	2,551	9,599	9,842
Other	1,772	158	1,614	1,649
	<u>25,297,559</u>	<u>4,811,715</u>	<u>20,485,844</u>	<u>21,013,578</u>
Current portion	—	—	524,137	515,600
	<u>25,297,559</u>	<u>4,811,715</u>	<u>19,961,707</u>	<u>20,497,978</u>

10. Long-term debt

	2014	2013
	\$	\$
Term loan, 4.34%, payable by semi-annually instalments of \$86,974, principal and interest, renewable in November 2016, secured by a first-ranking hypothec on the building and the universality of present and future receivables ⁽¹⁾	2,117,137	2,196,596
Current portion	82,945	79,459
	<u>2,034,192</u>	<u>2,117,137</u>

⁽¹⁾ Under the terms of the loan agreement, the grant receivable from the ministère de la Culture et des Communications du Québec (Note 5) will be used to reduce the principal repayments. Interest are also funded by the Ministère.

Long-term debt principal payments over the forthcoming years are as follows:

	\$
2015	82,945
2016	86,583
2017 and thereafter	1,947,609

11. Additional information relating to the statement of cash flows

Changes in non-cash operating-working capital items

	2014	2013
	\$	\$
Accounts receivable	(163,015)	(62,477)
Grants receivable	(107,181)	271,471
Prepaid expenses	(6,972)	13,642
Accounts payable and accrued liabilities	(29,191)	83,550
Deferred revenue	(15,091)	40,043
Deferred operating grants	(43,762)	205,587
	<u>(365,212)</u>	<u>551,816</u>
<i>Cash and cash equivalents</i>		
Cash	65,713	73,511
Term deposit	600,469	950,323
	<u>666,182</u>	<u>1,023,834</u>

12. Commitments

The Institution entered into operating leases for office equipment. Future lease payments total \$20,138 and include the following amounts payable over the forthcoming years:

	\$
2015	9,308
2016	8,360
2017	2,470

13. Restrictions on net assets

On September 11, 2000, the Board of Directors adopted a resolution to maintain an amount as restricted for a maximum of \$300,000, which cannot be allocated to the budget of the Institution without a resolution adopted by the Board of Directors, for the following purposes:

- (a) Future development of the Institution;
- (b) Working capital;
- (c) Countermeasure for a sharp decline of clientele; and
- (d) Improvements or repairs to the building.

Any amount exceeding \$300,000 will be transferred to the unrestricted net assets account.

14. Related party transactions

The Fondation de l'École nationale de cirque donated \$5,000 to the Institution during the year for the construction project (\$5,000 in 2013).

These transactions, concluded in the normal course of operations, are measured at the exchange amount, which is the amount of the consideration established and agreed to by the related parties.

15. Financial instruments

Because of its assets and liabilities, the Institution is exposed to the following risks related to the use of financial instruments:

Liquidity risk

The Institution's objective is to have sufficient liquidity to meet its liabilities when due. The Institution monitors its cash balances and cash flows generated from operations to meet its requirements. As at June 30, 2014, the most significant financial liabilities are: the accounts payable and accrued liabilities and the long-term debt.

Interest rate risk

The Institution is subject to interest rate risk due to the prime rate since the bank loan bears variable interest rates.

16. Comparative figures

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

École nationale de cirque**Schedule 1 – Schedule of grants and contributions**

Year ended June 30, 2014

	2014	2013
	\$	\$
Operating grants		
Ministère de l'Éducation, du Loisir et du Sport du Québec and ministère de l'Enseignement supérieur, de la Recherche, de la Science et de la Technologie	1,887,974	1,881,523
Ministère de la Culture et des Communications du Québec	1,035,000	1,035,000
Ministère du Patrimoine canadien	900,000	900,000
	3,822,974	3,816,523
Projects		
Conseil de recherche en sciences humaines du Canada	159,465	152,550
Conseil de recherche en sciences naturelles et en Génie du Canada	24,998	—
Ministère de l'Enseignement supérieur, de la Recherche, de la Science et de la Technologie	55,185	39,417
Ministère de la Culture et des Communications du Québec	1,455	22,000
Ministère des Relations internationales de la Francophonie et du Commerce extérieur du Québec	26,472	4,000
Académie les Estacades	23,776	
Agropur – Division Natrel	47,000	
Other private contribution	1,138	
	339,489	217,967
	4,162,463	4,034,490

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

École nationale de cirque**Schedule 2 – Schedule of donations from Fondation de l'École nationale de cirque**

Year ended June 30, 2014

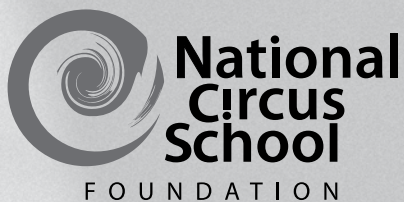
	Notes	2014	2013
		\$	\$
Operations		238,950	265,280
Students scholarships		71,440	74,320
Fundraising activities	(4)	86,832	81,448
		397,222	421,048

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





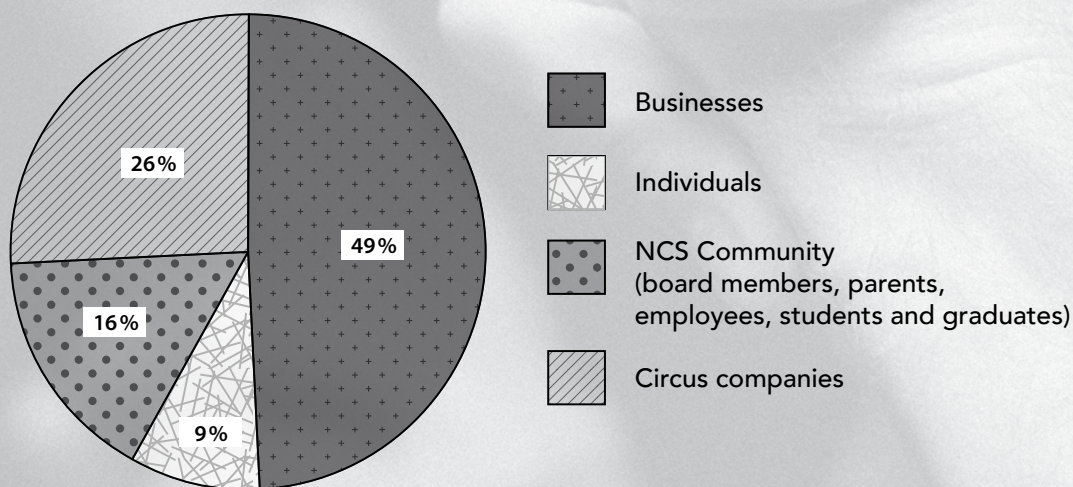
NATIONAL CIRCUS SCHOOL FOUNDATION ANNUAL REPORT



The National Circus School Foundation provides the National Circus School with vital financial support to sustain its mission of educational excellence, and innovative pedagogical and artistic initiatives. Thanks to the generosity of donors and partners in Canada and around the world, the School can provide talented youth accessibility to the best possible programs and services.

Fundraising Revenue Sources 2013-2014

Revenue from private fundraising in 2013-2014 totalled \$319 000 and was derived from the following sources :



In addition to annual contributions from donors, the Foundation relies on the performance of various endowment funds in its efforts to assist the School and its students. Further information can be found on page 2 of the National Circus School Foundation's audited financial statements included in this report.

2013-2014 Fundraising DONORS

Each year, our donors show their support to the National Circus School Foundation by participating to different fundraising campaigns and activities. The generosity on many individuals, companies, foundations and volunteers, enables the Foundation to support the School on its mission of educational and artistic excellence so that talented youth can realize their full potential.

We sincerely thank all those donors who make dreams of tomorrow's circus artist possible!

GREAT DONORS CIRCLE / \$ 75,000 AND MORE

Cirque du Soleil

BENEFACTORS CIRCLE / \$ 10,000 - \$ 24,999

Desjardins Group
Solotech

PATRONS CIRCLE / \$ 5,000 - \$ 9,999

ALL Prime Construction
Bombardier
Borden Ladner Gervais
KPMG
National Bank Financial Group
Carol & Brian O'Sullivan
Alain Pacherie – Cirque Phénix
Power Corporation of Canada
Rio Tinto Alcan

AMBASSADORS CIRCLE / \$ 2,000 - \$ 4,999

Aimia
Aon Parizeau
Burgundy Asset Management
Caisse d'économie solidaire Desjardins
Caisse Desjardins du Centre-est de la métropole
Cascades
Cirque Éloize
Cogeco Câble
Lili de Grandpré
David Forest Financial Services
Deeth Williams Wall
Deloitte
Ernst & Young
Farris, Vaughan, Wills & Murphy
Feeling Productions
Dr. Roger Hobden
Irving Mitchell Kalichman
Caroline Jelmoni Davaripour & Jean-Pierre Jelmoni
JTI-Macdonald Corp.
Catherine Laurin
David McAusland
McCarthy Tétrault
Metafore
Natre (Agropur Cooperative)
Norton Rose Fulbright
Pandion Investments
Québecor
RailTerm
ROBIC
Sennheiser
Spector & Co.
Roger Straathof
Towers Watson
Vincent Lafleur Traiteur
Wortzmans

RINGMASTER CIRCLE / \$ 1,000 - \$ 1,999

Aéroports de Montréal
Anderson Laurin Investment Management
BMO Nesbitt Burns
Anonymous
BCF Business Law
BDC
Roger Berthelot
Bruno Bougie
Sylvie Bovet
Jeannette & William Buholzer
Chubb insurance company of Canada

Cirque du Soleil employees
Curtis Dawe
Nicole Désilets & Pierre Langlois
Bruno Duguay
Dunton Rainville
E3 Services Conseil
Marc Lalonde
John LeBoutillier
Mast Media Entertainment
Mercer
Montrusco Bolton Investments
Robert C. Nadeau
National Bank Financial
National Circus School employees
Outbox Technology
Permacon
Howard Richard
Christophe Rousseau
Spectrum
S.P.I.N.

SUPPORTERS CIRCLE / \$ 500 - \$ 999

Action Sport Physio Centre Ville
Anonymous
Catherine B. Bachand
Claude Bédard
Robert Blain
Pierre Bourgie
Pierre Bovet
Brenton Kean
Brio Conseils
Germain Carrière
Cascades Tissu Group
CGI
Couvre-Planchers Labrosse
Davies Ward Phillips & Vineberg
Suzanne de Grandpré
Deschênes et Perreault Construction
Desjardins Ménard et associés
Dominique Lemieux costumes creator
EBI Montréal
Nassib El-Husseini
Execaire
Export Development Canada
Fidelity Investments
Aubert Gallant
GDI Services
Groupe DCB
Groupe immobilier Pro-Urbain
Peter Guay
Sébastien Guénette
Mary Hagerman
Bernard Hébert
Roslyn Heward
Hub International Québec
Jean-François Rochefort Inc.
Kaufman Laramée
Marie Langlois
Suzanne Langevin & Guy Lapierre
Lapointe Magne & associés
Danielle Laramée
Anthony Layton
Claire & Antoine Lefavre
Brigitte Lépine
Les Entreprises Cloutier & Gagnon
Lorange, Leclair & Cie
Charles E. Martin
New Era Immigration
Newmark Knight Frank Devencore
Northbridge Insurance
Neils W. Orved
Outillage NG
Ginette Piché

Suzanne H. Pringle
Quebec Culture Capital Fund
Raymond Chabot Grant Thornton
Isabelle Reid
Rogers Communications
Anton Schlemm
Scotiabank
Services Conseils Solumax
Sid Lee
Société Générale (Canada)
Stellar Canada
Syneco gestion globale
Telesystem
The KCMN Velan Foundation
Trans-Pro Logistics
Truck'N Roll
Turbulent Média
Vézina Assurances
Voyages G.P.S.
West Face Capital
Richard Wilson
Tessie Yanez

FRIENDS CIRCLE / \$ 100 - \$ 499

American Iron & Metal LP
Anonymous (9)
Tuedon Ariri
Lucie Beauchemin
Sonia Boisvert
Mario Bourdon
François Bovet
Carolle Brabant
Carole Bureau
Alex Chan
Dr. Louis Charbonneau
Johanne Claveau
Conseillers L'Espérance et associés
Corpus Conseil
Violaine Corradi
Desjardins Financial Security
Antonia Dolhaine
Stéphan Drolet
Marc-André Dufort
Suzanne Durand
Fonds Louis Garneau
Isabelle Garneau & François Lemaître-Auger
Daniel Gauthier
Gaz Métro
J.F.P. Marois Couvre-Plancher
Kitsymenie inc.
Bernard Lamarre
Éric Lapierre
Les Eaux Naya
Martel Desjardins CPA
Sun-Kiri Mean
Gaétan Morency
Ursula Oberholzer
Guillaume Paquin
Pierre Petit
François Plamondon
Wendy Reid & Peter Roberts
Jacques Renaud
Jennifer Rowntree
Roy et Tremblay
Danielle Savoie
François Séguin
Gary & Karen Sullivan
Annette & Jeffrey Taylor
Joelle Tremblay
Marie Trotter
Valerie J. Wagar & Brian McIlroy
Laurent Wermenlinger

Allocation of the Contribution to the National Circus School

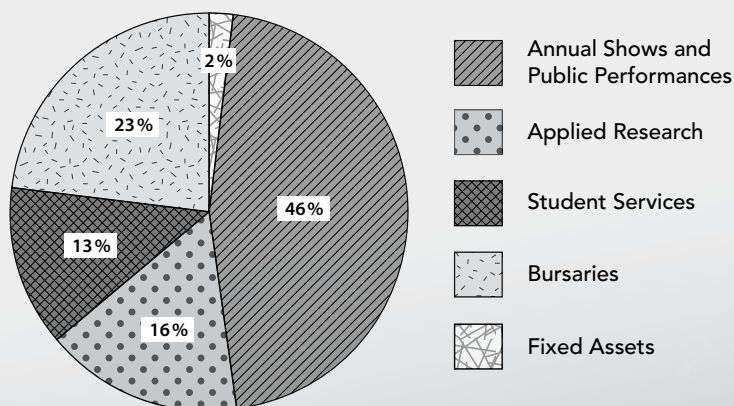
The National Circus School Foundation ensures that funds raised through donor contributions are allocated for the designated purposes and according to the priorities established by the School.

This year the Foundation remitted \$ 315,000 to the School for various projects and services including student bursaries.

In particular the Foundation made up the shortfall from public performances presented during the year, such as the Annual Shows, which represented nearly 40 percent of conception and production costs. These performances, which are accessible to family and school audiences, have attracted nearly 17,000 spectators, including close to 6,000 young people to school matinee performances.

The Foundation's contribution has also financed nearly a quarter of the direct costs of student services, including library acquisitions, new circus arts instruction and therapy equipment, and the provision of international artistic development exchange opportunities. In health services alone, this contribution subsidized the equivalent of 649 physiotherapy consultations or treatments.

Finally, an allocation from a designated donation of \$ 50,000 was apportioned to applied research projects in creation and innovation.



BURSARY program

The principle of accessibility advocated by the School's Foundation aims to ensure that no student admitted to training program should have to abandon his or her studies for financial reasons.

In 2013-2014 a quarter of students enrolled in a full time program received financial assistance from the Foundation.

A total of \$ 71,440 was distributed among 33 bursary recipients, who received an amount ranging from \$500 to \$6 000 depending on the need.

Since the bursary fund was established in 2006, the Foundation has granted a total of \$ 413,610 to 211 recipients, and the average individual bursary amount was about \$ 1,960.

« My education at the National Circus School taught me that the possibilities are endless if I work hard to achieve my goals. But I was not alone; both the School and the Foundations helped me realize my aspirations. »

*Bridie Hooper, 2012 Graduate
Rosebank, Australia
Artist of Circa*

« The generous support of donors made it possible for me to attend this extraordinary school. Moving from Toronto to Montreal to start a circus education wasn't easy. With no support from my parents, I was on my own. Fortunately, I received scholarships through the Foundation's program, which meant I could focus on my studies without having to stress about money. »

*Calin J. Stevenson, Graduate 2012
Toronto, Canada
Artist of Dragone*

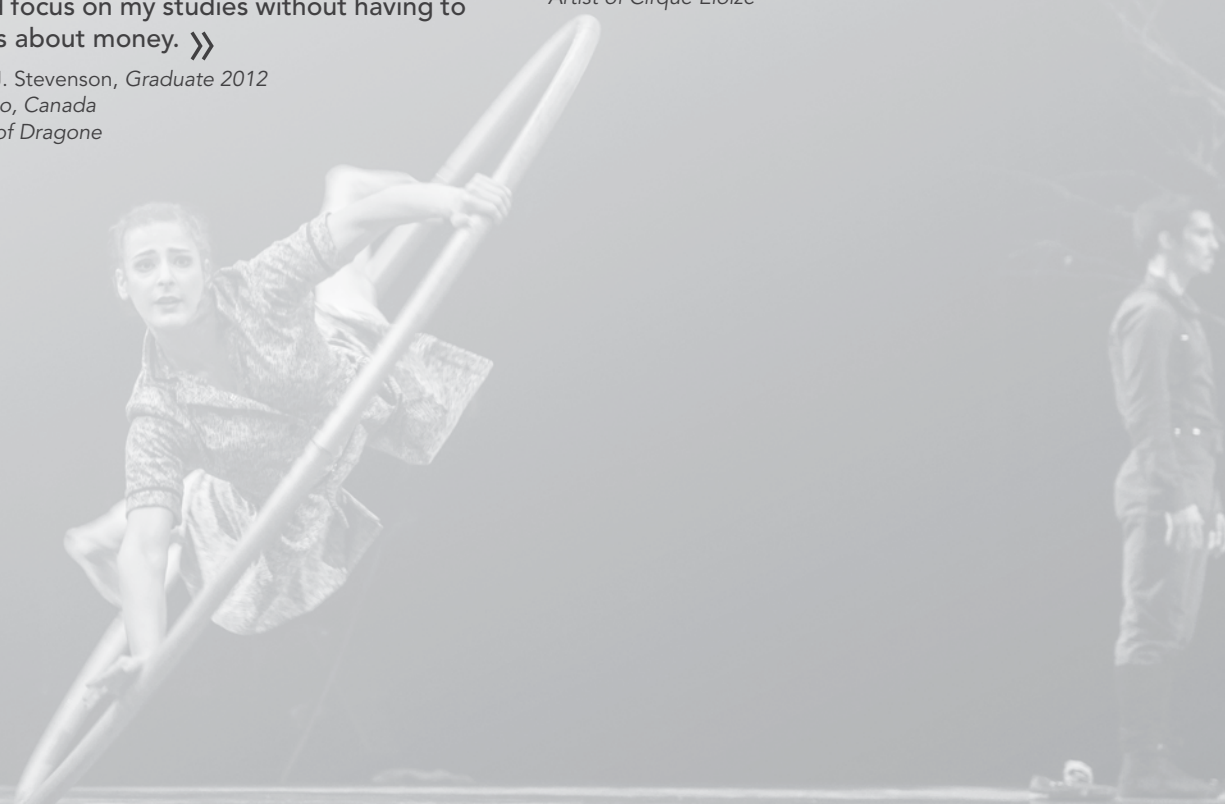
« **71 440 \$**
was distributed among
33 recipients »

« The Foundation's assistance allows us to acquire the technical equipment that entails a large outlay of money for us as students. To all donors, thank you very much ! »

*Pier-Olivier Doucet, Graduate 2013
Saguenay, Québec
Artist of Cirque du Soleil*

« I thank with all my heart the National Circus School Foundation's donors. Without your support, I simply would not have been able to pay my tuition. You made it possible for me to complete my three years of professional studies and become a circus artist. »

*Jérôme Sordillon, Graduate 2013
Belleruche, France
Artist of Cirque Éloize*



Financial Statements of the

NATIONAL CIRCUS SCHOOL FOUNDATION

Year ended June 30, 2014



KPMG LLP
600 de Maisonneuve Blvd. West
Suite 1500
Tour KPMG
Montréal (Québec) H3A 0A3

Telephone (514) 840-2100
Fax (514) 840-2187
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of National Circus School Foundation

We have audited the accompanying financial statements of National Circus School Foundation, which comprise the statement of financial position as at June 30, 2014, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider 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 is sufficient and appropriate to provide a basis for our qualified audit opinion.



Basis for Qualified Opinion

In common with many charitable organizations, National Circus School Foundation derives revenue from contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of National Circus School Foundation. Therefore, we were not able to determine whether, as at and for the year ended June 30, 2014, any adjustments might be necessary to contributions and excess of revenues over expenses reported in statements of operations, and current assets and unrestricted net assets reported in the statements of financial position. This caused us to qualify our audit opinion on the financial statements as at and for the year then ended.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of National Circus School Foundation as at June 30, 2014, and the results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

October 1, 2014

Montréal, Canada

NATIONAL CIRCUS SCHOOL FOUNDATION

Financial Statements

Year ended June 30, 2014

Financial Statements

Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5

NATIONAL CIRCUS SCHOOL FOUNDATION

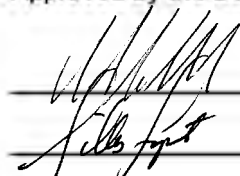
Statement of Financial Position

June 30, 2014, with comparative information for 2013

	2014				2013	
	Asset Maintenance Fund	Bursaries Fund	Unrestricted Endowment Fund	Adminis- tration Fund	Total	Total
Assets						
Current assets:						
Cash	\$ -	\$ -	\$ -	\$ 15,320	\$ 15,320	\$ 37,806
Term deposits, 0.65% (2013 - 0.65%)	-	-	-	123,524	123,524	123,020
Amount receivable from the National Circus School	-	-	-	33,476	33,476	35,400
Amount receivable from Bursaries Fund	-	-	-	348,144	348,144	272,531
Amount receivable from Asset Maintenance Fund	-	-	-	68,752	68,752	67,569
Amount receivable from Unrestricted Endowment Fund	-	-	-	28,317	28,317	22,962
Receivables	-	-	-	40,524	40,524	27,691
Prepaid	-	-	-	980	980	1,165
Inventory	-	-	-	-	-	1,750
	-	-	-	659,037	659,037	589,894
Investments (note 2)	481,456	1,733,119	1,896,929	604,267	4,715,771	4,124,186
	\$ 481,456	\$ 1,733,119	\$ 1,896,929	\$ 1,263,304	\$ 5,374,808	\$ 4,714,080
Liabilities and Net Assets						
Current liabilities:						
Contribution payable to National Circus School	\$ -	\$ -	\$ -	\$ 276,308	\$ 276,308	\$ 159,517
Payable to Administration Fund	68,752	348,144	28,317	-	445,213	363,062
Accounts payable	-	-	-	7,296	7,296	6,990
Deferred revenue	-	-	-	5,000	5,000	-
	68,752	348,144	28,317	288,604	733,817	529,569
Net assets	412,704	1,384,975	1,868,612	974,700	4,640,991	4,184,511
	\$ 481,456	\$ 1,733,119	\$ 1,896,929	\$ 1,263,304	\$ 5,374,808	\$ 4,714,080

See accompanying notes to financial statements.

Approved by the Board:



Director



Director

NATIONAL CIRCUS SCHOOL FOUNDATION

Statement of Operations

Year ended June 30, 2014, with comparative information for 2013

					2014	2013
	Asset Maintenance Fund	Bursaries Fund	Unrestricted Endowment Fund	Adminis- tration Fund	Total	Total
Revenues:						
Annual campaign	\$ —	\$ —	\$ —	\$ 131,148	\$ 134,148	\$ 208,983
Residence campaign	—	—	—	5,000	5,000	5,000
Benefit event:						
Tickets - with receipts (80%)	—	—	—	81,150	81,150	93,040
Tickets - without receipt (20%)	—	—	—	27,325	27,325	23,260
Contributions with receipts (100%)	—	—	—	61,081	61,081	72,573
Sponsorship	—	—	—	12,601	12,601	23,640
Other contributions	—	—	—	1,600	1,600	—
Realized investment revenues	18,403	64,942	83,323	41,261	207,929	72,974
Change in unrealized gain on investments	36,453	128,640	165,048	54,651	384,792	261,073
	54,856	193,582	248,371	415,817	912,626	760,543
Expenses:						
Funding:						
Fundraising campaign	—	—	—	5,792	5,792	3,689
Benefit event	—	—	—	35,648	35,648	36,569
Operating expenses:						
Professional fees	—	—	—	6,000	6,000	6,000
Office expenses	—	—	—	4,197	4,197	3,850
Public relations expenditures	—	—	—	159	159	1,298
Bank charges	—	—	—	2,128	2,128	1,878
Management fees	1,183	4,173	5,355	(10,711)	—	—
	1,183	4,173	5,355	43,213	53,924	53,284
Excess of revenues over expenses before contributions and bursaries	53,673	189,409	243,016	372,604	858,702	707,259
Contribution to the National Circus School	—	—	—	238,950	238,950	265,280
Contribution for fund development	—	—	—	86,832	86,832	81,448
Student bursaries - ENC	—	71,440	—	—	71,440	74,320
Contribution - Residence project	—	—	—	5,000	5,000	5,000
Excess of revenues over expenses	\$ 53,673	\$ 117,969	\$ 243,016	\$ 41,822	\$ 456,480	281,211

See accompanying notes to financial statements.

NATIONAL CIRCUS SCHOOL FOUNDATION

Statement of Changes in Net Assets

Year ended June 30, 2014, with comparative information for 2013

						2014
	Asset Maintenance Fund	Bursaries Fund	Unrestricted Endowment Fund	Adminis- tration Fund	Total	
Balance, beginning of year	\$ 359,031	\$ 1,267,006	\$ 1,625,596	\$ 932,878	\$ 4,184,511	
Excess of revenues over expenses	53,673	117,969	243,016	41,822	456,480	
Balance, end of year	\$ 412,704	\$ 1,384,975	\$ 1,868,612	\$ 974,700	\$ 4,640,991	

						2013
	Asset Maintenance Fund	Bursaries Fund	Unrestricted Endowment Fund	Adminis- tration Fund	Total	
Balance, beginning of year	\$ 239,921	\$ 1,214,600	\$ 1,008,610	\$1,043,737	\$ 3,506,868	
Excess of revenues over expenses	22,678	52,406	113,418	92,709	281,211	
Contributions received (used) as endowments	96,432	—	503,568	(203,568)	396,432	
Balance, end of year	\$ 359,031	\$ 1,267,006	\$ 1,625,596	\$ 932,878	\$ 4,184,511	

See accompanying notes to financial statements.

NATIONAL CIRCUS SCHOOL FOUNDATION

Statement of Cash Flows

Year ended June 30, 2014, with comparative information for 2013

	2014	2013
Cash flows from operating activities:		
Excess of revenues over expenses	\$ 456,480	\$ 281,211
Adjustment for:		
Change in unrealized gain on investments	(384,792)	(261,073)
	71,688	20,138
Net change in non-cash operating working capital:		
Amount receivable from the National Circus School	1,924	13,767
Receivables	(12,833)	20,630
Prepaid	185	185
Inventory	1,750	-
Contribution payable to National Circus School	116,791	(2,080)
Accounts payable	306	1,217
Deferred revenue	5,000	-
	113,123	33,719
	184,811	53,857
Cash flows from financing activities:		
Contribution received as endowments	-	396,432
Cash flows from investing activities:		
(Additions) disposal of term deposits	(504)	197,855
Additions to investments	(206,793)	(670,927)
	(207,297)	(473,072)
Net decrease in cash and cash equivalents	(22,486)	(22,783)
Cash and cash equivalents, beginning of year	37,806	60,589
Cash and cash equivalents, end of year	\$ 15,320	\$ 37,806

See accompanying notes to financial statements.

NATIONAL CIRCUS SCHOOL FOUNDATION

Notes to Financial Statements

Year ended June 30, 2014

The National Circus School Foundation (the "Foundation") was incorporated under Part III of the *Companies Act* (Québec) and is a registered charity under the *Income Tax Act*. The Foundation's funds must be used to help the National Circus School to pursue its own mission and that of its components and constituencies and to contribute to the development of circus arts, primarily in the areas of professional training, research and creation. The National Circus School has a certain influence on the Foundation, as the directors of the School sit on both boards of directors.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Not-For-Profit Standards. The Foundation's significant accounting policies are as follows:

(a) Revenue recognition:

The Foundation 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.

Revenues from fundraising and benefit events are recognized as revenue when the events occur.

(b) Endowment Fund:

Contributions received as endowments are recognized as direct increases in net assets. Investment revenue is presented as revenues in the statement of operations in the year in which the related bursaries as well as the donations to the National Circus School are paid.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity investments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has elected to carry its investments at fair value.

Transactions costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

NATIONAL CIRCUS SCHOOL FOUNDATION

Notes to Financial Statements, Continued

Year ended June 30, 2014

1. Significant accounting policies (continued):

(c) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

2. Investments:

Investments consist primarily of \$4,368,955 (2013 - \$3,789,906) held in investment funds of the Foundation of Greater Montréal and Épargne Placements Québec bond of \$346,816 (2013 - \$334,280). Only revenues generated from these investments can be used by the Foundation, with the exception of the Administration Fund, as the donors have all required that the capital constitute an investment held in perpetuity.

3. Net assets received as endowments:

The net assets received as endowments represent funds that will be used for purposes specified by the donors, primarily for student bursaries and for maintaining the National Circus School real estate assets.

The net assets received as endowments for each funds are as follows:

Asset Maintenance Fund	\$ 354,029
Bursaries Fund	1,222,793
Unrestricted Endowment Fund	1,222,115
	<hr/>
	\$ 2,798,937

NATIONAL CIRCUS SCHOOL FOUNDATION

Notes to Financial Statements, Continued

Year ended June 30, 2014

4. Financial risks:

(a) Foreign exchange risk:

Through its investments funds in units of the Foundation of Greater Montréal, the Foundation is exposed to foreign exchange risk.

(b) Interest rate risk:

Some investments of the Foundation bear fixed interest rates and, consequently, a change in market interest rate would have an impact on the market value of the investments.

(c) Market volatility risk:

The Foundation's investments are presented at their fair value of \$4,715,771 (2013 - \$4,124,186) and are subject to market volatility risk.

(d) Credit risk:

As at June 30, 2014, the Foundation is not exposed to a significant risk in relation to credit.

5. Disbursement quota:

In order to maintain its registered charity status, the Foundation must meet certain annual spending requirements ("disbursement quota") according to the *Income Tax Act*. The disbursement quota is a minimum amount that the registered charity must spend on charitable programs or as gifts to qualified donees. Failure to comply with these requirements could lead to a revocation of the Foundation's registered charity status. As at June 30, 2014, the Foundation complies with the requirements.





Credits: Annual Report of the National Circus School
Coordination: Christophe Rousseau | Translation: Susan Kelly
Photos: Roland Lorente, Valérie Remise, Jean-Charles Labarre,
Alex Legeault, Sylvie-Anne Paré | Design: www.spinprod.com

