

**IMPERIAL THEATRE INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2023**

# IMPERIAL THEATRE INC.

JUNE 30, 2023

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## INDEPENDENT AUDITORS' REPORT

To the Directors of Imperial Theatre Inc.

### *Opinion*

We have audited the accompanying financial statements of Imperial Theatre Inc., which comprise the statement of financial position as at June 30, 2023 and the statements of changes in net assets, operations and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Imperial Theatre Inc. as at June 30, 2023 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Imperial Theatre Inc. 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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 Imperial Theatre Inc.'s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Theatre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Imperial Theatre Inc.'s financial reporting process.



*Auditors' 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 auditors' 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 Imperial Theatre Inc.'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 Imperial Theatre Inc.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Imperial Theatre Inc. 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.

  
CHARTERED PROFESSIONAL ACCOUNTANTS

Saint John, New Brunswick  
November 2, 2023

**IMPERIAL THEATRE INC.**  
**STATEMENT OF FINANCIAL POSITION**

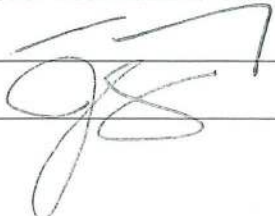
**AS AT JUNE 30, 2023**

	<u>Operating Fund</u>	<u>Building Fund</u>	<u>Total 2023</u>	<u>Total 2022</u>
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash	\$ 570,252	\$ 100,259	\$ 670,511	\$ 668,085
Term deposits	360,553	-	360,553	652,275
Due from Imperial Theatre Foundation Inc. (Notes 10, 11)	368,092	-	368,092	178,148
Due from Operating Fund (Due to Building Fund)	156,259	(156,259)	-	-
Accounts receivable	23,748	-	23,748	25,794
Inventory (Note 4)	23,466	-	23,466	26,693
Prepaid expenses	<u>111,866</u>	<u>-</u>	<u>111,866</u>	<u>120,000</u>
	1,614,236	(56,000)	1,558,236	1,670,995
<b>CAPITAL ASSETS (Note 5)</b>	<u>27,019</u>	<u>3,844,337</u>	<u>3,871,356</u>	<u>4,101,001</u>
	<u>\$ 1,641,255</u>	<u>\$ 3,788,337</u>	<u>\$ 5,429,592</u>	<u>\$ 5,771,996</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT</b>				
Accounts payable and accrued liabilities	\$ 168,315	\$ -	\$ 168,315	\$ 171,531
Government remittances payable	54,807	-	54,807	46,748
Due to Imperial Theatre Foundation Inc. (Notes 10, 11)	18,477	-	18,477	94,362
Unearned revenue - ticket sales	558,263	-	558,263	451,276
Unearned revenue - other	95,039	53,716	148,755	187,663
Unearned revenue - capital campaign	-	242,859	242,859	242,859
Deferred contributions - grants	<u>78,774</u>	<u>14,629</u>	<u>93,403</u>	<u>225,800</u>
	973,675	311,204	1,284,879	1,420,239
<b>LONG TERM DEBT (Note 6)</b>	-	-	-	40,000
<b>DEFERRED CONTRIBUTIONS - CAPITAL ASSETS (Note 7)</b>	18,562	3,479,848	3,498,410	3,775,487
<b>NET ASSETS</b>	<u>649,018</u>	<u>(2,715)</u>	<u>646,303</u>	<u>536,270</u>
	<u>\$ 1,641,255</u>	<u>\$ 3,788,337</u>	<u>\$ 5,429,592</u>	<u>\$ 5,771,996</u>

**APPROVED ON BEHALF OF THE BOARD:**

\_\_\_\_\_  
 Director

\_\_\_\_\_  
 Director

**IMPERIAL THEATRE INC.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Operating Fund</u>		<u>Building Fund</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
NET ASSETS AT BEGINNING OF YEAR	\$ 523,388	\$ 407,969	\$ 12,882	\$ 34,470	\$ 536,270	\$ 442,439
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>125,630</u>	<u>115,419</u>	<u>(15,597)</u>	<u>(21,588)</u>	<u>110,033</u>	<u>93,831</u>
NET ASSETS AT END OF YEAR	<u>\$ 649,018</u>	<u>\$ 523,388</u>	<u>\$ (2,715)</u>	<u>\$ 12,882</u>	<u>\$ 646,303</u>	<u>\$ 536,270</u>



**IMPERIAL THEATRE INC.**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Operating Fund</u>		<u>Building Fund</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>REVENUE</b>						
Ticket sales and advertising - presented events	\$ 474,969	\$ 226,722	\$ -	\$ -	\$ 474,969	\$ 226,722
Rentals	397,658	289,329	-	-	397,658	289,329
Services (Note 11)	150,948	107,916	-	-	150,948	107,916
Sponsorships						
Cash	57,800	60,750	-	-	57,800	60,750
In-kind (Note 8)	40,627	48,384	-	-	40,627	48,384
Concessions	206,665	120,872	-	-	206,665	120,872
Other earned revenue	66,543	14,031	1,709	230	68,252	14,261
Foundation Grants						
Imperial Theatre Foundation Inc. (Note 11)	210,000	170,000	-	-	210,000	170,000
Other	66,484	105,286	-	-	66,484	105,286
Grants						
Municipal (Note 9)	515,000	500,000	-	-	515,000	500,000
Federal	153,662	62,500	-	-	153,662	62,500
Employment	7,682	17,675	-	-	7,682	17,675
Provincial	33,080	70,787	-	-	33,080	70,787
Fundraising events	5,500	-	-	-	5,500	-
Donations	64,604	68,510	-	700	64,604	69,210
Amortization of deferred contributions - capital assets	3,094	4,223	273,982	273,982	277,076	278,205
<b>TOTAL REVENUE</b>	<u>2,454,316</u>	<u>1,866,985</u>	<u>275,691</u>	<u>274,912</u>	<u>2,730,007</u>	<u>2,141,897</u>
<b>EXPENDITURES</b>						
Personnel	1,099,906	1,092,620	-	-	1,099,906	1,094,597
Programming	512,406	299,299	-	-	512,406	299,299
Facility and operations	249,334	240,110	-	-	249,334	240,110
Publicity, promotions and marketing	163,255	200,292	-	-	163,255	198,315
Administration	153,817	164,006	-	-	153,817	164,006
Box office	81,992	60,291	-	-	81,992	60,291
Concessions	96,185	63,508	-	-	96,185	63,508
Fundraising	31,082	6,051	-	-	31,082	6,051
Other	2,345	3,656	-	1	2,345	3,657
Amortization of capital assets	5,864	11,011	291,288	296,499	297,152	307,510
<b>TOTAL EXPENDITURES</b>	<u>2,396,186</u>	<u>2,140,844</u>	<u>291,288</u>	<u>296,500</u>	<u>2,687,474</u>	<u>2,437,344</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FROM OPERATIONS</b>	<u>58,130</u>	<u>(273,859)</u>	<u>(15,597)</u>	<u>(21,588)</u>	<u>42,533</u>	<u>(295,447)</u>
<b>OTHER INCOME</b>						
COVID-19 Wage and Rent subsidies	-	245,661	-	-	-	245,661
ACOA COVID-19 support funding	-	68,617	-	-	-	68,617
CAPF COVID-19 support funding	67,500	75,000	-	-	67,500	75,000
	<u>67,500</u>	<u>389,278</u>	<u>-</u>	<u>-</u>	<u>67,500</u>	<u>389,278</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<u>\$ 125,630</u>	<u>\$ 115,419</u>	<u>\$ (15,597)</u>	<u>\$ (21,588)</u>	<u>\$ 110,033</u>	<u>\$ 93,831</u>

**IMPERIAL THEATRE INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>2023</u>	<u>2022</u>
<b>CASH PROVIDED BY (USED IN)</b>		
Operating activities		
Excess of revenue over expenditures	\$ 110,033	\$ 93,831
Items not involving cash		
Amortization of deferred contributions - capital assets	(277,077)	(278,205)
Amortization of capital assets	<u>297,152</u>	<u>307,510</u>
	130,108	123,136
Changes in non-cash working capital balances		
Due from Imperial Theatre Foundation Inc.	(189,944)	(175,848)
Accounts receivable	2,046	77,317
Inventory	3,227	(10,461)
Prepaid expenses	8,134	(39,117)
Accounts payable and accrued liabilities	(3,216)	54,731
Government remittances payable	8,059	25,926
Due to Imperial Theatre Foundation Inc.	(75,885)	93,835
Unearned revenue - ticket sales	106,987	319,237
Unearned revenue - other	(38,908)	4
Deferred contributions - grants	<u>(132,397)</u>	<u>(12,875)</u>
	<u>(181,789)</u>	<u>455,885</u>
Investing activities		
Net redemption (purchase) of term deposits	291,722	(2,275)
Purchase of capital assets	(67,507)	(327,999)
Contributions funding purchase of capital assets	<u>-</u>	<u>226,309</u>
	<u>224,215</u>	<u>(103,965)</u>
Financing activity		
Repayment of long term debt	<u>(40,000)</u>	<u>-</u>
	<u>(40,000)</u>	<u>-</u>
<b>INCREASE IN CASH</b>	2,426	351,920
<b>CASH AT BEGINNING OF YEAR</b>	<u>668,085</u>	<u>316,165</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 670,511</u>	<u>\$ 668,085</u>



# IMPERIAL THEATRE INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

### 1. PURPOSE OF ORGANIZATION

Imperial Theatre Inc. (the "Theatre") is a charitable organization established to build and operate the Imperial Theatre in Saint John, New Brunswick.

The Theatre, which is incorporated under the laws of New Brunswick, is registered as a charitable organization under the Income Tax Act (Canada) and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFP").

#### Fund Accounting

The Theatre receives funding for special purposes and therefore the financial statements have been presented in a manner that segregates the following balances:

#### Operating Fund

This fund reflects the operating activities of the Theatre.

#### Building Fund

This fund reflects amounts expended on the acquisition and restoration of the land and building and new assets related to the physical plant of the Theatre.

#### Cash and Cash Equivalents

The Theatre considers cash on hand and balances with banks, net of overdrafts as cash or cash equivalents. Bank borrowings are considered to be finance activities.

#### Term Deposits

Term deposits are funds held in a guaranteed investment certificate. The guaranteed investment certificate matures on June 28, 2024 and bears interest at 2.25%. The guaranteed investment certificate is held in the custody of the Royal Bank of Canada and is recorded at cost plus accrued interest, which approximates fair value.

#### Inventory

Inventory is valued at the lower of average cost and net realizable value.

#### Contributed Services

Volunteers contribute a significant amount of their time, and total hours contributed for this year was 11,328 (2022 - 2,612). Because of the difficulty in determining their fair value, contributed services are not recognized in these financial statements. The Theatre receives sponsorships and donations in kind from donors. When a value is readily available, the Theatre records it as an in kind sponsorship or donation at the fair value at the date of the contribution.

# IMPERIAL THEATRE INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Capital Assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of the contribution. Amortization is determined using the straight-line method over their estimated useful lives at the following rates:

Building	5% - 10%
Computer equipment	20% - 33%
Ticketing system	20%
Furnishings and equipment	20%
Concert grand piano	5%
Sound system	10% - 15%
Screen and projector	33%
Lighting project	20%
Incubator project	7% - 20%
Construction in process - Safer Spaces	n/a
Construction in process - Green Energy HVAC	n/a

The Theatre regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

#### Revenue Recognition

The Theatre follows the deferral method of accounting for contributions, which include grants and donations. Deferred contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received.

Government grants are recognized in the accounts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Unearned revenue consists of advance ticket sales, sponsorships, advertising sales, deposits on rentals, and gift certificate sales relating to future activities, and is recognized as revenue in the period in which the related event is held.

In-kind sponsorships and donations are recorded as both revenue and expenditures at fair market value.

#### Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in excess (deficiency) of revenue over expenditures. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.



**IMPERIAL THEATRE INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Measurement Uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of capital assets;
- the recoverability of tangible assets;
- the estimated useful lives of assets; and
- the allowance for doubtful accounts.

**3. FINANCIAL INSTRUMENTS**

The Theatre is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Theatre's risk exposure and concentration as of June 30, 2023:

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The theatre is exposed to credit risk from customers and funders. In order to reduce its credit risk, the theatre reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The theatre does not have a significant amount of sales on credit which minimizes credit risk.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Theatre is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, accounts payable and accrued liabilities, government remittances payable, and other obligations.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Theatre manages exposure through its normal operating and financing activities. The Theatre is not exposed to interest rate risk as it does not have any variable interest rate bearing debt.

# IMPERIAL THEATRE INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

### 4. INVENTORY

Inventory consists of the following:

	<u>2023</u>	<u>2022</u>
Merchandise	\$ -	\$ 2,908
Concessions	17,454	13,929
Technical	1,984	4,338
Ticket stock and stationery	<u>4,028</u>	<u>5,518</u>
	<u>\$ 23,466</u>	<u>\$ 26,693</u>

### 5. CAPITAL ASSETS

	<u>2023</u>			<u>2022</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Operating Fund				
Building	\$ 27,365	\$ 26,093	\$ 1,272	\$ 1,920
Computer equipment	16,720	16,720	-	529
Ticketing system	165,101	165,101	-	-
Furnishings and equipment	175,187	149,440	25,747	30,434
Concert grand piano	<u>100,907</u>	<u>100,907</u>	<u>-</u>	<u>-</u>
	<u>485,280</u>	<u>458,261</u>	<u>27,019</u>	<u>32,883</u>
Building Fund				
Land	61,580	-	61,580	61,580
Building - restoration to 1994	14,831,440	14,831,440	-	-
Building - restoration after 1994	3,619,385	1,474,917	2,144,468	2,329,334
Building - Façade	1,553,338	446,585	1,106,753	1,184,420
Furnishings and equipment	1,304,667	1,304,667	-	-
Sound system	378,606	350,628	27,978	43,194
Screen and projector	122,570	122,570	-	-
Lighting project	384,059	384,059	-	-
Incubator - Streaming system	164,150	40,105	124,045	137,585
Green Energy HVAC project	141,293	-	141,293	73,785
Safer Spaces project	<u>238,220</u>	<u>-</u>	<u>238,220</u>	<u>238,220</u>
	<u>22,799,308</u>	<u>18,954,971</u>	<u>3,844,337</u>	<u>4,068,118</u>
	<u>\$23,284,588</u>	<u>\$19,413,232</u>	<u>\$ 3,871,356</u>	<u>\$ 4,101,001</u>



# IMPERIAL THEATRE INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

### 6. LONG TERM DEBT

	<u>2023</u>	<u>2022</u>
Canada Emergency Business Account non-interest bearing loan. The loan matures on December 31, 2023 and if repaid, \$20,000 of the \$60,000 loan is forgivable. If the loan is not repaid on or before December 31, 2023, it is extended to a two year loan bearing interest at 5%. The loan was repaid in full during the year.	\$ -	\$ 40,000
Amounts payable within one year	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 40,000</u>

### 7. DEFERRED CONTRIBUTIONS - CAPITAL ASSETS

	<u>2023</u>	<u>2022</u>
Balance - beginning of year	\$ 3,775,487	\$ 3,827,383
Contributions funding purchase of capital assets	-	226,309
Amounts amortized to revenue	<u>(277,077)</u>	<u>(278,205)</u>
Balance - end of year	<u>\$ 3,498,410</u>	<u>\$ 3,775,487</u>

### 8. SPONSORSHIPS IN-KIND

The Theatre has sponsorship arrangements with various companies to exchange materials and services equal to the fair market value of the sponsorship. Sponsorships in-kind are recorded as follows:

	<u>2023</u>	<u>2022</u>
Advertising	\$ 15,900	\$ 22,468
Accommodation	20,227	21,165
Computer service and support	2,000	2,000
Building maintenance contract	2,500	2,500
Concession supplies	<u>-</u>	<u>250</u>
	<u>\$ 40,627</u>	<u>\$ 48,383</u>

### 9. MUNICIPAL OPERATING GRANTS

The Theatre receives a municipal operating grant from the City of Saint John, the Town of Grand Bay-Westfield, the Town of Quispamsis and the Town of Rothesay through the Greater Saint John Regional Facilities Commission. The operating grant is awarded on a calendar year-end, and the amount of the remaining grant to be received in the 2023 year is \$265,000 (2022 - \$250,000).

# IMPERIAL THEATRE INC.

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

### 10. IMPERIAL THEATRE FOUNDATION INC.

Imperial Theatre Foundation Inc. (the "Foundation") is incorporated under the laws of New Brunswick and is a registered charity under the *Income Tax Act* (Canada). Funds raised by the Foundation are preserved in the *Encore Performance Trust Fund* and invested.

The Foundation has the authority and sole discretion to use, apply, give, devote, accumulate or distribute funds to the Theatre as long as the Theatre: [i] is a registered charity under the *Income Tax Act* (Canada); and [ii] operates a performing arts facility for the benefit of the general public. In the absence of: [a] the dissolution of the Foundation after payment of its debts; and [b] the Theatre meeting the criteria in [i] and [ii] above at the time of such dissolution, there is no entitlement of the Theatre to any specific fund or amount from the Foundation at any time.

### 11. RELATED PARTY TRANSACTIONS

During the year, the Theatre received \$210,000 (2022 - \$170,000) as an operating grant from the Foundation. The Theatre also provides administrative services to the Foundation at cost. During the year, the Theatre recorded an amount of \$4,300 (2022 - \$4,300) as revenue related to these services. These transactions are carried in the ordinary course of business and measured at the exchange amount.

The amounts due to and from the Foundation are non-interest bearing, unsecured and have no set repayment terms.

### 12. CREDIT FACILITY

The Theatre has a demand credit facility (the "Facility") with a Canadian chartered bank for a maximum amount of \$50,000 (2022 - \$50,000), bearing interest at the bank's prime rate plus 0.80%. The relevant prime rate was 6.95% (2022 - 3.70%) as at June 30, 2023. No amounts were drawn as at June 30, 2023 (2022 - \$nil). The Facility is collateralized by a first fixed charge on the land and improvements of the Theatre in the amount of \$50,000 (2022 - \$50,000).