

**2023
2024**

**ONTARIO ARTS COUNCIL
ANNUAL
REPORT**



ONTARIO ARTS COUNCIL
CONSEIL DES ARTS DE L'ONTARIO
an Ontario government agency
un organisme du gouvernement de l'Ontario



In accordance with the provision of Section 12 of the *Arts Council Act*, I respectfully submit the report covering the activities of the Ontario Arts Council from April 1, 2023, to March 31, 2024.



Rita Davies, C.M.
Chair
Ontario Arts Council

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The Ontario Arts Council is an agency of the Government of Ontario.

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Ontario Arts Council 2023-2024 Annual Report

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ABOUT THE ONTARIO ARTS COUNCIL

Since its inception in 1963, the Ontario Arts Council (OAC) has played a vital role in promoting and supporting the development, creation and production of the arts for the enjoyment and benefit of all Ontarians. The OAC has fostered the growth of Ontario's arts ecosystem by providing funding to individual artists and arts organizations in all artistic disciplines and in all regions of the province.

The OAC is a not-for-profit agency of the Government of Ontario's Ministry of Tourism, Culture and Gaming and has a publicly appointed board of directors. The 12-member volunteer board ensures that OAC activities align with the organization's mandate. The OAC's grant decisions are made at arm's length from the government. The OAC's staff manage the programs, and grants are awarded through peer-review processes.

Launched in 2022, *Reset. Renew. Revitalize. A Strategic Plan for the Ontario Arts Council 2022-2027* deepens OAC's commitment to the arts in Ontario, emphasizing its impact through four outcome-based funding priorities. These priorities focus on ways to improve equity, the economy, the quality of life of all Ontarians and the careers of Ontario's artists and arts workers.

Granting programs are organized under four funding streams: Creating and Presenting, Building Audiences and Markets, Engaging Communities and Schools, and Developing Careers and Arts Services. These streams help applicants determine which program best fits their proposed activity.

The OAC offers funding in a variety of arts disciplines, including dance, literature, music, theatre, media arts and visual arts. Additional programs focus on particular arts activities, including arts education, community-engaged arts and multi and inter-arts. The OAC also supports the touring, recording and presentation of arts activities as well as various collaborations between artists.

Some programs have specific goals, such as Northern Arts, which serves artists and arts groups in northern Ontario, and Skills and Career Development, which funds professional development opportunities for Indigenous arts professionals and arts professionals of colour. Funding is also available for culturally based art forms, such as Francophone arts and Indigenous arts. The Deaf and Disability Arts programs provide funding support to Deaf* artists, artists with disabilities and Deaf and disability arts organizations.

About the Application and Approval Process

Individual artists and arts groups can apply to OAC for funding for specific projects, and arts organizations are also able to apply for ongoing operating support once they have met certain requirements.

Grants are allocated through a peer-review system. Independent juries make funding recommendations for applications to project programs from individuals and arts groups. Advisory panels review operating grant applications from arts organizations and make recommendations to OAC program officers. Operating grants under \$30,000 are approved by the CEO. The OAC's board of directors approves all funding decisions for operating grants and project grants of more than \$30,000.

*The OAC identifies Deaf artists as distinct from artists with disabilities based on the Canadian Hearing Society's definition of culturally Deaf, a term that refers to individuals who identify with and participate in the language, culture and community of Deaf people.

ABOUT THE ONTARIO ARTS COUNCIL

Granting program information, deadlines, eligibility criteria and OAC policies can change over time. The OAC's website has the most up-to-date information about granting programs and policies as well as listings of competition results for past program deadlines.

Awards

The OAC administers the nomination and assessment process for several awards and grants, including programs privately funded through the Chalmers Family Fund, the Johanna Metcalf Performing Arts Prizes and the peer-assessed awards managed by the Ontario Arts Foundation. In addition to these privately funded programs, OAC funds and administers the Ontario Arts Council Indigenous Arts Award and oversees the administration of the Pauline McGibbon Award on behalf of the Government of Ontario.

Research and Analysis

The OAC further supports Ontario's arts community by conducting research and statistical analyses of the arts and culture sectors. This information helps OAC build public awareness of the value of the arts by offering vital resources for understanding the environment in which artistic works are created and produced in this province. The OAC regularly measures the impact of its programs and consults with artists and arts organizations to stay informed of the needs and growth of the arts.

YEAR IN REVIEW

APRIL TO JUNE 2023

- The OAC announces the appointment of **Simon Foster** (Toronto) to the board of directors. (April 21, 2023)
- The OAC celebrates the **60th anniversary of its founding**. (April 26, 2023)
- The OAC announces the appointments of **Amber Yared** and **Carly Stasko** as interim cross-sectoral associate officers. (May 10, 2023)
- **Jen Lynn Bailey**, **Maggie Zeng** and **Nafiza Azad** are announced as winners of the 2023 Ruth and Sylvia Schwartz Children's Book Awards. (May 26, 2023)
- Set and costume designer **Samantha McCue** is announced as the recipient of the 2023 Pauline McGibbon Award. (May 29, 2023)
- **Zhe Gu** is appointed interim associate director of granting. (June 2023)
- **Shoshana Wasser** is appointed associate director of public affairs and communications. (June 2023)

JULY TO SEPTEMBER 2023

- Choreographer, dancer and community arts practitioner **Penny Couchie** is announced as the recipient of the 2023 Ontario Arts Council Indigenous Arts Award. She selects multidisciplinary and land artist **Paige Linklater-Wong** as this year's emerging laureate. (August 24, 2023)
- **Isabelle Boulerice-Leblanc** (Embrun) is appointed to the board of directors. (August 2023)
- The **Hamilton Philharmonic Orchestra** is announced as the recipient of the 2023 Vida Peene Orchestra Award. (September 14, 2023)
- Pianist **Christina Petrowska Quilico** is announced as the recipient of the 2023 Oskar Morawetz Award for Excellence in Music Performance. (September 22, 2023)
- **Melissa (Missy) Knott** (Curve Lake First Nation) is appointed to the board of directors. (September 2023)
- **Zhe Gu** is appointed associate director of granting. (September 2023)
- **Rupal Shah** joins OAC as interim associate director of granting. (September 2023)
- **Henry Xu** joins OAC as interim director of finance and corporate services. (September 2023)

OCTOBER TO DECEMBER 2023

- OAC releases **Arts and Quality of Life for Ontarians**, a study commissioned from Nanos, which finds that the arts play a major role in the personal and community well-being of Ontarians. (October 10, 2023)
- Folk singer-songwriter **Just Prince** is announced as the recipient of the 2023 Colleen Peterson Songwriting Award. (October 11, 2023)
- **Daniel Carter** joins OAC as the new theatre program officer. (October 2023)
- **Elena Bird** joins OAC as associate director of research and analysis. (October 2023)
- OAC releases the **Ontario Arts and Culture Tourism Profile**, a report commissioned from Forum Research. It reveals the size and value of arts and culture tourism in Ontario, including significant economic impacts, and provides demographic information about the arts and culture tourists who visit Ontario. (November 16, 2023)
- **Carolina Reis** joins OAC as interim cross-sectoral associate officer. (November 2023)
- **Elaine Choi** is announced as the recipient of the 2023 Leslie Bell Prize for Choral Conducting. (December 6, 2023)
- **Sue Carter** joins OAC as the new literature program officer. (December 2023)

JANUARY TO MARCH 2024

- **Henry Xu** is appointed director of finance and corporate services. (January 2024)
- **Adom Acheampong** joins OAC as the new multi and inter-arts and community-engaged arts officer following the departure of Loree Lawrence. (January 2024)
- **Jaspreet Sandhu** joins OAC as the new director of public affairs, communications and research. (January 2024)
- **Mariya Afzal** joins OAC as the new director of granting. (January 2024)
- OAC releases ***Arts for All Ontarians***, a video celebrating 60 years of funding the arts that features grant recipients from across the province and the decades. (February 27, 2024)
- **Twee Brown** (London) is appointed to the board of directors. (March 2024)

CORE BUSINESS ACHIEVEMENTS

GRANTING

The OAC's primary activity is to serve Ontarians by making meaningful investments that help strengthen and develop artists and arts organizations across the province. Alongside this, OAC ensures the impact and equitability of access to these investments through dedicated community outreach and development initiatives. The OAC also addresses sector-wide issues through strategic partnerships that leverage OAC's leadership position in the arts.

Grants

Project grants provide one-time funding for individual artists, ad hoc groups, collectives and arts organizations for artistic creation, production and presentation as well as professional development and arts education projects. Most project grants are awarded through a competitive application and peer-assessment process administered by OAC, while others are awarded through a third-party recommender process that involves partner arts organizations and collectives, which review micro-grant applications and make recommendations for funding on OAC's behalf.

In 2023-24, OAC awarded a total of \$16,531,438 in project grants to a total of 2,066 recipients, with 1,412 returning artists and organizations and 654 grants to first-time recipients. These grants helped fuel and disseminate Ontario's artistic products and creative content.

Operating grants provide sustaining annual financial support to leading professional not-for-profit arts organizations and publishers to support their artistic activities and regular operations. Operating grants reinforce the province's arts infrastructure by offering the reliable, ongoing funding that institutional and emerging organizations require to not only maintain their ongoing activities but to plan for growth and innovation. Operating grants are awarded to eligible organizations that are working at a minimum artistic and financial scale and meeting minimum artistic and administrative standards as determined through a peer-assessment process.

In 2023-24, OAC awarded a total of \$36,729,627 in operating grants to 560 organizations, with 552 returning organizations and 8 organizations newly admitted into the operating funding stream.

Program changes in 2023-24

The OAC resumed its full support for touring and travel following a pandemic pause with the relaunch of the reimagined Touring & Circulation Projects program (formerly Touring Projects, in 2020) and the Market Development Travel program (formerly Market Development Travel Assistance, in 2020). The Artist-Presenter Collaboration Projects program, which had been introduced during the pandemic to support modified touring and market development activities, was subsequently suspended.

Outreach and Access

The OAC conducts outreach and service improvement initiatives to build awareness of our programs and services and to enhance access for Ontario's diverse artists and arts organizations.

Throughout the year, OAC staff organize and participate in information sessions, grant application workshops and webinars to support grant applicants, and they also help to build additional connections and supports for underserved, remote or equity-deserving communities.

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In 2023-24, more than 25 outreach events were held, reaching over 600 artists in communities across Ontario.

Some highlights include:

- OAC collaboration with Craft Ontario, Design TO and Harbourfront Centre to offer an information session for craft artists.
- OAC collaboration with Wildseed Centre for Art & Activism to offer information for visual artists. The session featured artist Natalie Wood, who spoke about her career development and the impact of funding.
- OAC collaboration with Creative Industries North Bay and White Water Gallery to offer a grant information session for artists in North Bay. The session also included North Bay artist Colin Davis, who joined as a presenter and spoke about his OAC-funded work.
- OAC collaboration with the City of Brampton to offer a session on OAC's professional development grants for Peel Region artists. The session featured artists Nimra Bandukwala and Shonna Foster, who spoke about their art practices and how they had been supported through OAC's Skills and Career Development program.

Following regular review of the relevance, accessibility and equity of programs and services, in 2023-24 OAC invested in two new access-building projects:

- A Nova user-guide video series: this series of videos explains how to use Nova, OAC's online grant management system. The series provides accessible, engaging, easy-to-understand instructions to grant applicants and is available on OAC's website and YouTube channel.
- American Sign Language (ASL) and Langue des signes québécoise (LSQ) content development: OAC has translated and made available in ASL and LSQ application forms for the Deaf and Disability Arts Projects program and several key pages of the OAC website that offer guidelines and support.

Partnerships

The 2023-24 fiscal year was OAC's first full year being guided by the 2022-2027 strategic plan, *Reset. Renew. Revitalize.* Building on strategic direction 4, "Cultivate Connections, Collaborations and Partnerships," OAC developed its first formal Partnerships Framework.

The framework establishes a consistent and clear methodology for developing and approving partnerships and measuring their impact, ensuring that each:

- supports OAC in achieving its mandate and strategic plan goals;
- includes an investment in not only budget but additional connections, resources and expertise; and
- achieves broad sector impact that OAC could not achieve through regular granting programs or without collaboration with partners.

Key partnerships launched in 2023-24 include:

- The Ontario College of Art and Design University (OCAD U) Cultural Policy Hub: OAC joined a consortium of public art funders that invest and engage with OCAD U's Cultural Policy Hub. The Hub is a national bilingual platform that builds communities of practice among researchers, policymakers, artists and creators from across Canada's academic, government, non-profit and private spheres to explore and advance cultural policy decision-making. Key policy issues explored by the Hub include space, housing and affordability; precarity, living wage and decent work; and AI policy in arts and culture.
- The Lillian Allen Prize for spoken word poetry: in partnership with the League of Canadian Poets (LCP), OAC launched the new Lillian Allen Prize and the Lillian Allen Emerging Artist Prize, which recognize and celebrate spoken word poetry artists working in English or French. Two prizes will be awarded annually: one to an established artist and one to an emerging artist, based on their respective bodies of work.

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- The Catalyst and Transformation Fund: this program addresses the closure or restructuring of organizations. It is delivered through the arts service organization Work In Culture and is supported by a consortium of funders.
- Artsvest: this program addresses the need to diversify sponsorship and philanthropic funding and specifically emphasizes regional and equity-seeking groups. It is delivered through the organization Business for the Arts.

COMMUNICATIONS

This year, OAC set into motion several communications initiatives focused on amplifying the many positive impacts of its publicly funded arts activity in Ontario.

- The funding recognition policy for grant recipients was updated to strengthen requirements for organizations that produce events.
- Communications campaigns promoted new research on the intersections between the arts and quality of life as well as between arts and tourism.
- The OAC launched Instagram accounts in both English and French. The OAC's Instagram saw exponential growth – surpassing engagement with all of OAC's existing social media platforms (Facebook, X [formerly Twitter], LinkedIn) combined within one month of the launch.
- The OAC implemented an enhanced contact management system that can integrate contact data from multiple sources, including Nova (OAC's online grant management system), OAC's website and various contact lists, and more dynamically identify and segment audiences for targeted email communication.

Ongoing communication initiatives in 2023-24 included:

- support for the awards section by coordinating a total of seven prize announcements and contributing to presentation events;
- social media and web projects to mark occasions and observances, such as National Indigenous History Month, International Week of the Deaf, and the National Day for Truth and Reconciliation;
- ongoing support for the corporate communications, outreach and human resources activities.

Arts for All Ontarians

One of the biggest projects this year was the development and dissemination of *Arts for All Ontarians*, a short-format video that provides a whirlwind tour of what OAC funding has helped make possible since the organization's founding in 1963.

The video features grant recipients from across the province and the decades. It is a highlight reel of how OAC's investments have benefited Ontario's communities, economy, quality of life and identity as a province. It includes appeals to both personal emotions (e.g. related to individual identity; particular art forms, activities or communities; and nostalgia and memory) and to communal emotions (e.g. related to inclusivity, pride, excitement, inspiration and awe).

The video also emphasizes three intrinsically linked ideas, which are conveyed explicitly (e.g. through minimal text) and implicitly (e.g. through emotional resonance and the connections viewers make as a result):

- **The arts are Ontario:** When a viewer sees the phenomenal range of artistic activities from the past 60 years featured in the video, they realize that everything they are seeing is representative of Ontario. Ontario artists and arts organizations create work that reflects the vitality and diversity of life in Ontario. At the same time, Ontario itself is shaped and defined by these creative works.
- **The arts are for all Ontarians:** The phrase "for all Ontarians" has been part of OAC's official mandate since OAC's establishment 60 years ago. Viewers of the video – no matter their age, location, community or interests – should see at least one work, discipline, artist or arts organization that they can connect with, whether it is something familiar and beloved or something that newly captures their attention.

CORE BUSINESS ACHIEVEMENTS

- **The arts in Ontario are the Ontario Arts Council:** OAC funding has played a role in supporting everything featured in the video, from grants to individual artists and arts organizations for the activities and works shown in contemporary and archival videos and photos to the energizing soundtracks by both anglophone and francophone OAC-funded musicians. Whatever aspect of the video the viewer connects with, they come away with a new or increased sense of how public arts funding makes it possible.

The video was launched with an accompanying communications campaign at the end of February 2024. Within the first month, the video had garnered **31,000 views** across platforms and close to **2,000 engagements**, including likes, shares and comments.

RESEARCH

The OAC's research section facilitates the use of Ontario arts data in decision-making, amplifying the broad impacts of public arts funding, delivering accurate outcome-based reporting and improving service delivery.

In 2023-24, research area's role expanded through a realignment of internal resources that accelerated OAC's data-driven culture and strengthened its use of data. On an operational basis, the newly formed cross-functional team manages OAC's arts data assets and grant statistics throughout the entire data lifecycle and oversees OAC's corporate data, systems and technical initiatives, ensuring statistical information needs are captured.

The research section will continue to partner with other organizations on research initiatives and conduct original research about the arts in Ontario. This important work supports the government's priorities, and shares information with the public, artists and arts organizations to inform their planning and communication about the value of the arts.

Research supports the review and update of OAC's key performance indicators annually to ensure they are effective and sustainable. Research also supports program evaluation through the director of granting.

Arts and Quality of Life for Ontarians

The *Arts and Quality of Life for Ontarians* study, commissioned from Nanos by OAC, surveyed Ontarians on the importance of the arts for their quality of life and mental health. Ontarians were also surveyed about the role of the arts in relation to community, diversity and identity. Nanos's research revealed four key findings:

- Ontarians believe the arts are important for a good quality of life.
- Ontarians say that the arts have a significant impact on community well-being.
- Ontarians strongly support governments' investments in the arts.
- A strong majority of Ontarians say that the arts are an important aspect of community-building.

For example, 90 per cent of Ontarians agree that an active local arts scene helps make a community a better place to live, and 82 per cent agree it also helps communities attract businesses.

Ontario Arts and Culture Tourism Profile

Commissioned by OAC from Forum Research, the *Ontario Arts and Culture Tourism Profile* reveals the size and value of arts and culture tourism in Ontario, including its significant economic impacts, and provides demographic information about the arts and culture tourists who visit Ontario.

Among the key findings from Forum's analysis, which used data from Statistics Canada, is that the average arts and culture trip has nearly triple the economic impact of non-arts and culture trips. The report also found that roughly

CORE BUSINESS ACHIEVEMENTS

\$11.4 billion is spent on arts and culture tourism in Ontario, resulting in \$5.7 billion in direct value added to the province.

HUMAN RESOURCES

This year, a new organizational model was implemented to support greater collaboration and a more integrated approach, address succession planning, reduce risk and strengthen OAC's ability to achieve our goals and priorities. New teams and reporting lines were created in granting, public affairs, communications, research, finance and corporate services.

Human resources also implemented the first phase of a revised performance-management model. It is designed to ensure that organizational-wide key performance factors and expectations are driving the evaluation, and it outlines a future emphasis on team goals (in phase two). The updated model clarifies work and performance expectations, explains how these are evaluated and reduces subjectivity. The human resources section also created greater efficiencies and improved productivity by using the Human Resources Information System's performance management module, which has imbedded workflows and records and reports results.

EQUITY, DIVERSITY, INCLUSION AND ACCESSIBILITY

The equity, diversity, inclusion and accessibility (EDIA) section supports internal workplace equity, diversity, inclusion and accessibility, including the leadership of an internal equity, diversity and inclusion action plan that features training, policy development, and work culture improvements. This section also advises on all functional areas on matters of equity, diversity, inclusion and accessibility.

The section continued to develop measurements of investments and engagement with equity-deserving communities and appeared before a federal, provincial and territorial Ministers' gathering to present on best practices.

The section supported the development and opening implementation of EDIA partnerships, including Anti-Black Policy Framework with the Black Screen Office and Addressing Antisemitism Through the Arts with Shoreline Collaboratives, Fentster Gallery and No Silence on Race.

CORPORATE SERVICES

The corporate services section includes the information systems and technology (IS&T) team and the operations team at OAC. Together, they play a crucial role in safeguarding OAC's network infrastructure and application systems, ensuring they are efficient and effective and that staff have the tools, facilities and support they need to successfully and securely do their jobs.

IS&T staff manage and maintain servers, networks, hardware and software. The team provides technical support for internal staff and external stakeholders, evaluates and implements new technology equipment and solutions to meet OAC's business needs and oversees cybersecurity measures to protect OAC's digital assets and data.

In 2023-24, the IS&T team continued to enhance the office setup for hybrid working for all employees by equipping them with the necessary tools. In addition, the IS&T team ensured that the video conferencing equipment in the meeting rooms and boardroom were operational for hybrid meetings. Notably, IS&T has significantly bolstered Nova's cybersecurity by implementing multi-factor authentication, upgraded the network infrastructure and implemented a new internal intranet site.

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The operations staff make up the rest of the corporate services section. They are responsible for managing the physical office space, records management and procurement activities. Working closely with others at OAC, the team supports and advises internal colleagues and engages with external stakeholders, upholding excellent service delivery. Operations has undertaken numerous complex procurement projects, participated in the *Building Ontario Businesses Initiative* working group, provided support for the Canadian Public Arts Funders (CPAF), and optimized resource allocation. With a keen problem-solving philosophy, the operations team ensures seamless service delivery across the entire business.

2023-2024 GRANTING PROGRAMS

Creating and Presenting

Arts médiatiques – projets francophones
 Arts visuels, arts médiatiques et métiers d'art :
 organismes et centres d'artistes autogérés
 francophones – fonctionnement
 Arts visuels et métiers d'art – projets francophones
 Craft Projects
 Curatorial Projects: Indigenous and Culturally Diverse
 Dance Organizations: Operating
 Dance Projects
 Deaf and Disability Arts: Materials for Visual Artists
 Deaf and Disability Arts Projects
 Édition francophone – fonctionnement
 Exhibition Assistance
 Indigenous Arts Projects
 Indigenous Visual Artists Materials
 Literary Creation Projects (Works for Performance)
 Literary Creation Projects (Works for Publication)
 Literary Organizations: Operating
 Literary Organizations Projects
 Littérature – projets francophones
 Major Organizations: Operating
 Media Artists Creation Projects
 Media Arts Organizations: Operating
 Media Arts Projects
 Multi and Inter-Arts Organizations: Operating
 Multi and Inter-Arts Projects
 Music Creation Projects
 Music Organizations: Operating
 Music Production and Presentation Projects
 Music Recording Projects
 Musique – projets francophones
 Northern Arts Projects
 Public Art Galleries: Operating
 Publishing Organizations: Operating (Book Publishers)
 Publishing Organizations: Operating (Magazine
 Publishers)
 Recommender Grants for Theatre Creators
 Recommender Grants for Writers
 Théâtre – projets francophones
 Théâtre francophone – fonctionnement
 Theatre Organizations: Operating
 Theatre Projects
 Visual Artists Creation Projects
 Visual Arts Artist-Run Centres and Organizations:
 Operating
 Visual Arts Projects

Building Audiences and Markets

Diffusion – projets francophones
 Diffusion francophone – fonctionnement
 Market Development Projects (no deadline in
 2023-24)
 Market Development Travel
 Ontario Arts Presenters Projects
 Touring and Circulation Projects

Engaging Communities and Schools

Artists in Communities and Schools Projects
 Artists in Residence (Education)
 Arts Organizations in Communities and Schools:
 Operating
 Indigenous Artists in Communities and Schools
 Projects

Developing Careers and Arts Services

Arts Service Organizations: Operating
 Chalmers Arts Fellowships
 Chalmers Professional Development Projects
 Organismes francophones de service aux arts –
 fonctionnement
 Skills and Career Development: Indigenous Arts
 Professionals and Arts Professionals of Colour

GRANTING HIGHLIGHTS

\$53.3 million

Total OAC grants

\$10.7 million

Total OAC grants to individual artists

3,192

Total number of grants awarded by OAC

\$3.41 per Ontarian¹

Total public support to the arts through OAC

11,215

Total number of grant applications submitted to OAC

17.9 million²

Total number of people engaged in OAC-funded activities

1,043

Number of OAC grants to organizations

3.9 million²

Total number of participants at OAC-funded arts education activities

\$42.6 million

Total OAC grants to organizations

219

Total number of Ontario communities where resident artists and arts organizations received OAC grants

2,149

Number of OAC grants to individual artists

100 %

Total number of Ontario's 124 ridings where artists and arts organizations received OAC grants

¹Based on an Ontario population of 15,608,369 as of July 2023. (Source: Statistics Canada, Table 17-10-0005-01: Population estimates.)

²Based on most recently available attendance figures from 2020-21.

OUTCOME-BASED PERFORMANCE MEASURES

The OAC has been tracking corporate-level outcome-based performance measures for more than 10 years. The first set of performance measures tracked outcomes from 2006-07 through 2014-15. In 2016, OAC launched a process to develop new outcome-based performance measures in the context of the 2014-20 strategic plan, *Vital Arts and Public Value*. A key purpose of these performance measures is to articulate and then track the public value that OAC provides to the people of Ontario.

The OAC’s performance measures framework is based on a logic model that clearly links OAC’s key activities to positive societal outcomes – from short-term and mid-term outcomes through to long-term outcomes or impacts. The outcomes and long-term impacts that are identified in OAC’s logic model directly align with its strategic plan and mandate – *to foster the creation and production of art for the benefit of all Ontarians* – as well as with overall government priorities.

Based on best practices in the field, performance measures are attributable to organizational activities. As such, measures are typically outputs (of activities) that relate to short-term outcomes, which are those outcomes that arise most directly from the organization’s activities. For the short-term outcomes in its logic model, OAC identified a number of related performance measures. The measures for each outcome were selected based on what information would be most helpful in guiding decisions and understanding how OAC is achieving its goals.

The framework includes both program-based and operational performance measures. In 2019-20, OAC expanded on the operational impact measures in its performance measures framework, identifying additional measures, indicators and targets relating to service standards in the following areas: administrative efficiency, stakeholder satisfaction and the complaints process.

The key short-term outcomes and selected measures include:

Short-Term Outcomes	Creation, production and presentation of vital art in Ontario.	Increased skills and capacity in the arts sector.	More public participation in and appreciation of the arts.	Continuous improvement in fostering a vital and sustainable arts sector.
	Funding of artists and arts organizations in all parts of the province.	Funding of grants and services that increase skills and capacity.	Opportunities for Ontarians to experience and participate in the arts.	Administrative efficiency in assessment process.
Measures	Employment and income for arts professionals in Ontario.		Opportunities for people outside Ontario to experience Ontario artists and arts organizations.	Stakeholder satisfaction with OAC processes and decisions.

OUTCOME-BASED PERFORMANCE MEASURES

A small number of relevant indicators have been identified for each of the measures. By using a variety of indicators to describe OAC's performance, it is possible to track specific values (# and \$) as well as relative performance (%). The OAC established baselines and targets for each indicator in order to track performance over the implementation time frame of the 2014-20 strategic plan, *Vital Arts and Public Value*.

The following pages present the report on key short-term outcomes, performance measures and related indicators, including associated targets and results by year. This is an abridged version of a more detailed document, *OAC's Performance Measures Framework*, which includes the logic model and the complete set of performance measures and indicators.

PERFORMANCE MEASURES: OUTCOMES, MEASURES AND INDICATORS

Outcome A: Creation, production and presentation of vital art in Ontario

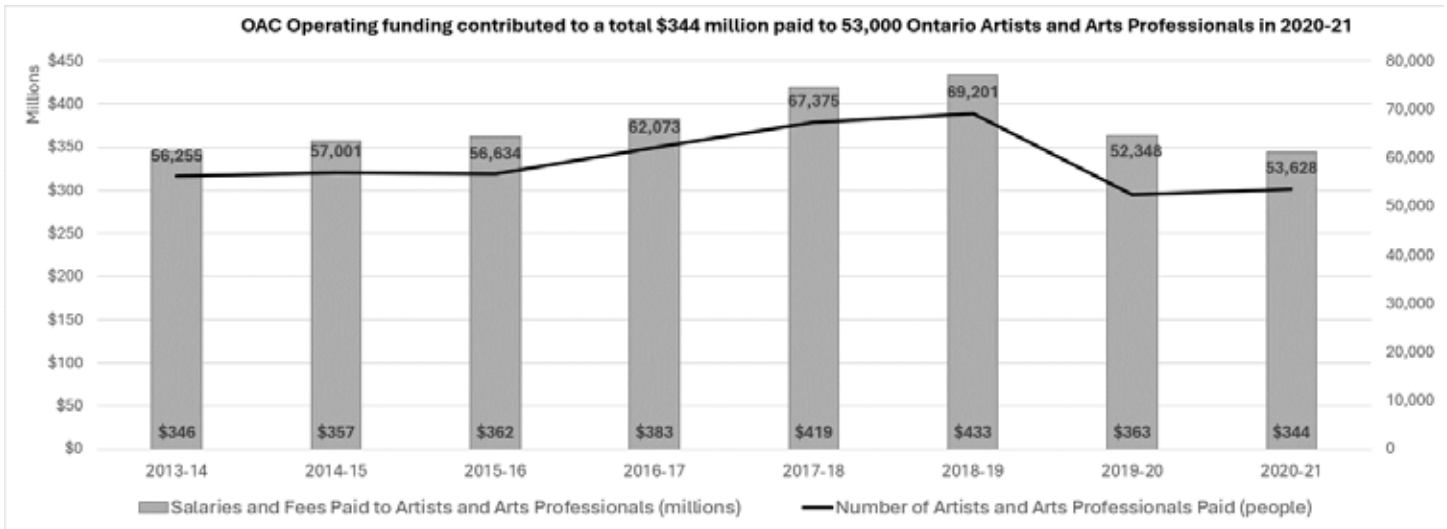
Measure	Indicator	Target	Baseline 2013-14 ¹	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Results 2019-20	Results 2020-21	Results 2021-22	Results 2022-23
Funding of artists and arts organizations in all parts of the province	% of Ontario counties/districts where resident artist or arts organization received OAC funding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Measure	Indicators	Target (> baseline over 5 years)	Baseline 2013-14	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Results 2019-20	Results 2020-21 ²
Employment and income for arts professionals in Ontario	# of artists and arts professionals paid (fees or salaries) through OAC-funded activities	> 56,255	56,255	57,001	56,634	62,073	67,375	69,201	52,348	53,628
	\$ value of income paid to artists/ arts professionals through OAC-funded activities	> \$345.9 million	\$345.9 million	\$356.5 million	\$361.9 million	\$382.6 million	\$419.3 million	\$433.4 million	\$363 million	\$343.8 million

¹ The 2013-14 baseline was chosen because it is the year before OAC's previous strategic plan was launched.

² Presented here and elsewhere in this document are actual figures for 2020-21 as submitted with the 2022-23 OAC operating applications/CADAC, or with the 2020-21 project grant final reports, which represent the most currently available data.

Graph 1: OAC supports creation, production and presentation of Ontario arts through artists and arts professionals



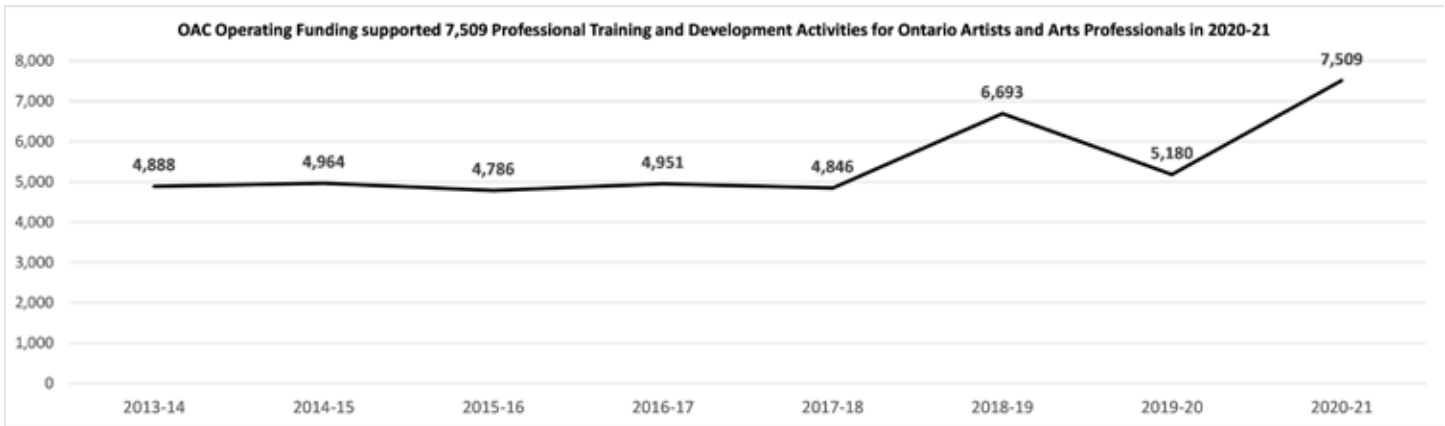
Note: Fiscal years 2019-20 and 2020-21 were partially or fully affected by restrictions related to Covid-19.

PERFORMANCE MEASURES: OUTCOMES, MEASURES AND INDICATORS

Outcome B: Increased skills and capacity in the arts sector

Measure	Indicators	Target (> base-line over 5 years)	Baseline 2013-14	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Results 2019-20	Results 2020-21	Results 2021-22	Results 2022-23	Results \$ Value 2022-23
Funding of grants and services that increase skills and capacity	# of artists and arts professionals who attend activities/ events for training and skill development supported or provided by OAC	> 123,725	123,725	128,628	128,444	135,261	161,193	158,774	129,145	162,923			
	# of activities/ events for training and skill development supported or provided by OAC	> 4,888	4,888	4,964	4,786	4,951	4,846	6,693	5,180	7,509			
	% of total # grants allocated by OAC for training and skill development	> 8%	8%	8%	8%	9%	9%	8%	6%	14%	19%	5%	\$5.6 million

Graph 2: OAC supports increased skills and capacity in Ontario’s arts sector



PERFORMANCE MEASURES: OUTCOMES, MEASURES AND INDICATORS

Outcome C: More public participation in and appreciation of the arts

Measure	Indicators	Target (> baseline over 5 years)	Baseline 2013-14	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Results 2019-20	Results 2020-21
Opportunities for Ontarians to experience and participate in the arts	# of public activities and events produced by OAC-funded artists and organizations in their home communities	> 36,507	36,507	37,037	38,912	40,841	46,880	43,104	25,565	20,885
	# of total audience for home community events in Ontario	> 17.6 million	17.6 million	17.1 million	19.2 million	19.6 million	21.0 million	21.4 million	12.3 million	12.4 million
	# of public activities and events produced by OAC-funded artists and organizations touring in Ontario	> 4,063	4,063	4,762	4,464	4,889	5,175	4,998	2,467	2,633
	# of total audience for touring events in Ontario	> 1.2 million	1.2 million	1.3 million	993,799	1.2 million	891,020	1.1 million	469,645	196,555

Measure	Indicators	Target (> baseline over 5 years)	Baseline 2013-14	Results 2014-15	Results 2015-16	Results 2016-17	Results 2017-18	Results 2018-19	Results 2019-20	Results 2020-21
Opportunities for people outside Ontario to experience Ontario artists and arts organizations	# of public activities and events produced by OAC-funded artists and organizations and toured nationally (outside Ontario) and internationally	> 4,872	4,872	3,727	3,842	4,354	4,225	3,558	2,262	2,236
	# of total audience for events toured nationally (outside Ontario) and internationally	> 1.6 million	1.6 million	1.4 million	1.5 million	1.6 million	1.2 million	1.6 million	2.4 million	651,851

PERFORMANCE MEASURES: OUTCOMES, MEASURES AND INDICATORS

Outcome D: Continuous improvement in fostering a vital and sustainable arts sector

Measure	Indicator	Target	Baseline 2019-20	Results 2020-21	Results 2021-22	Results 2022-23
Administrative efficiency in assessment process	% of applications meeting the service commitment to a 4-month turnaround from program deadline to decision	85%	90%	96%	88%	96%

Measure	Indicators	Target (over 3 years)	Baseline 2019-20	Results 2020-21	Results 2021-22	Results 2022-23
Stakeholder satisfaction with OAC processes and decisions	% of applicants who report satisfaction with OAC grant process	85%	86%	87%	87%	91%
	% of complaints responded to within three business days	90%	90%	100%	95%	95%

RISK EVENTS

The OAC continued to play a role in supporting the arts sector's recovery from the COVID-19 pandemic through its core funding programs and through one-time investments aligned with OAC's strategic plan, for a total grants of \$54.4 million in the arts sector in 2023-24. The investment of \$54.4 million includes the allocation from the Province of Ontario, The Chalmers Program, and Canada-Ontario Agreement on Minority Language Services.

The arts sector's impact on the GDP grew during 2023-24, a promising sign of continued recovery. As the arts sector's needs evolve in response to changing social and economic dynamics following the pandemic, OAC will continue to adapt its approach and develop new ways to support the sector.

ANALYSIS OF FINANCIAL PERFORMANCE

Overview

The OAC receives most of its revenues from the Government of Ontario, in the form of general grants and special grants for specific programs. In addition, OAC realizes investment income, primarily from restricted and endowment funds in pooled investments. In the fiscal year 2023-24, which ended on March 31, 2024, total revenues were \$63.7 million, a decrease from \$69.3 million in the previous year, mainly due to the \$5 million special grant received in 2022-23.

The OAC's expenditures consist primarily of investments in Ontario's professional, not-for-profit arts sector, in the form of operating grants to arts organizations, and project grants and awards to individual artists and arts organizations. The OAC also incurs expenses related to the programs and services it provides to the arts sector. Administration expenses are primarily employee salaries and benefits. Other notable administrative expenses include office rent, legal and consulting fees, amortization of capital assets and information services and technology costs. In 2023-24, total expenditures were \$64.5 million, a slight decrease from \$66.4 million in the previous year.

Revenue

Total revenue for the fiscal year was \$63.7 million. The general grant from the Government of Ontario was \$59.9 million. Investment income was \$2.9 million, a decrease of 22.4 per cent from the previous year. Decreased investment income resulted from a lower realized gain, which was partially offset by higher bank interest income.

Expenditures

Total expenditures were \$64.5 million, a decrease from expenditures of \$66.4 million in the previous year. Granting expenditure was \$54.4 million and represented a slightly lower portion of expenditures as compared to the previous fiscal year. Administration expenditure increased by 2.9 per cent from the previous year, mainly due to a one-time retrospective compensation adjustment. Services expenditure decreased by 31 per cent from the previous year due to the completion of a new partnership initiative. Together, administration and service expenses accounted for 13.9 per cent of total expenditures in the fiscal year.

FINANCIAL STATEMENTS

Financial Statements of

ONTARIO ARTS COUNCIL

And Independent Auditors' Report thereon.

Year ended March 31, 2024

Ontario Arts Council

Management's Responsibility for Financial Information

The accompanying financial statements of the Ontario Arts Council (OAC) are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards.

Management maintains a system of internal controls designed to provide reasonable assurance that financial information is accurate and that assets are protected.

The Board of Directors ensures that management fulfils its responsibilities for financial reporting and internal control. The Finance and Audit Committee and the Board of Directors meet regularly to oversee the financial activities of the OAC, and annually to review the audited financial statements and the external auditor's report thereon.

The financial statements have been audited by the Office of the Auditor General of Ontario, whose responsibility is to express an opinion on the financial statements. The Auditor's Report that appears as part of the financial statements outlines the scope of the Auditor's examination and opinion.

On behalf of management:



Michael Murray
CEO



Henry Xu
Director of Finance and Corporate Services

June 20, 2024



Office of the Auditor General of Ontario
Bureau du vérificateur général de l'Ontario

INDEPENDENT AUDITOR'S REPORT

To the Ontario Arts Council
and to the Minister of Tourism, Culture and Gaming

Opinion

I have audited the financial statements of the Ontario Arts Council, which comprise the statement of financial position as at March 31, 2024 and the statements of operations and changes in fund balances, remeasurement gains and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ontario Arts Council as at March 31, 2024 and the results of its operations, its remeasurement gains and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

Those charged with governance are responsible for overseeing Ontario Arts Council's financial reporting process.

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FINANCIAL STATEMENTS

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Ontario Arts Council'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 Ontario Arts Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Ontario Arts Council 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the group audit and I remain solely responsible for my audit opinion.

I 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 I identify during my audit.



Toronto, Ontario
June 20, 2024

Jeremy Blair, CPA, CA, LPA
Assistant Auditor General

FINANCIAL STATEMENTS

ONTARIO ARTS COUNCIL

Statement of Financial Position

March 31, 2024, with comparative information for 2023

			2024	2023
	Operating fund	Restricted and endowment funds	Total	Total
Assets				
Current assets:				
Cash	\$ 3,145,727	\$ 2,149,094	\$ 5,294,821	\$ 5,029,487
Accounts receivable	77,798	-	77,798	248,493
Prepaid expenses	120,420	-	120,420	116,325
	<u>3,343,945</u>	<u>2,149,094</u>	<u>5,493,039</u>	<u>5,394,305</u>
Investments (notes 2(b) and 8)	1,333,497	31,209,833	32,543,330	29,768,065
Capital assets (note 3)	387,345	-	387,345	561,051
	<u>\$ 5,064,787</u>	<u>\$ 33,358,927</u>	<u>\$ 38,423,714</u>	<u>\$ 35,723,421</u>

Liabilities and Fund Balances

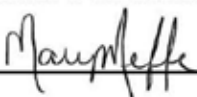
Current liabilities:				
Accounts payable and accrued liabilities (note 2(c))	\$ 864,055	\$ -	\$ 864,055	\$ 466,735
Deferred contributions (note 4)	348,893	-	348,893	344,893
Current portion of deferred lease inducement	165,322	-	165,322	165,322
Employee future benefits (note 2(b))	637,482	-	637,482	404,249
	<u>2,015,752</u>	<u>-</u>	<u>2,015,752</u>	<u>1,381,199</u>
Deferred lease inducement	123,993	-	123,993	289,315
	<u>2,139,745</u>	<u>-</u>	<u>2,139,745</u>	<u>1,670,514</u>
Fund balances:				
Invested in capital assets	98,030	-	98,030	106,414
Restricted for endowment purposes (Schedule 2)	-	70,311	70,311	70,311
Externally restricted funds (Schedule 2)	-	19,207,594	19,207,594	19,955,002
Internally restricted funds (note 5)	-	6,501,398	6,501,398	6,433,997
Unrestricted	2,581,402	-	2,581,402	2,643,101
Accumulated remeasurement gains (note 5 and Schedule 2)	245,610	7,579,624	7,825,234	4,844,082
	<u>2,925,042</u>	<u>33,358,927</u>	<u>36,283,969</u>	<u>34,052,907</u>
	<u>\$ 5,064,787</u>	<u>\$ 33,358,927</u>	<u>\$ 38,423,714</u>	<u>\$ 35,723,421</u>


Commitments (note 9)

Economic dependence (note 10)

See accompanying notes and schedules to financial statements.

On behalf of the Board:

 Director

 Director

FINANCIAL STATEMENTS

ONTARIO ARTS COUNCIL

Statement of Operations and Changes in Fund Balances

Year ended March 31, 2024, with comparative information for 2023

	Operating fund		Restricted and endowment funds		Total	
	2024	2023	2024	2023	2024	2023
Revenue:						
General grant - Province of Ontario	\$ 59,937,400	\$ 64,937,400	\$ -	\$ -	\$ 59,937,400	\$ 64,937,400
Special grant:						
Canada/Ontario						
French Language Projects	70,000	70,000	-	-	70,000	70,000
Investment income (note 8)	1,619,257	1,062,866	1,273,017	2,663,688	2,892,274	3,726,554
Fund administration fee (note 6(a))	77,887	66,221	-	-	77,887	66,221
Recovery of prior years' grants	94,494	152,078	-	-	94,494	152,078
Miscellaneous	22,893	129,151	-	-	22,893	129,151
Contributions	-	-	431,048	30,321	431,048	30,321
Special Award Income Metcalf Foundation	201,461	181,160	-	-	201,461	181,160
	62,023,392	66,598,876	1,704,065	2,694,009	63,727,457	69,292,885
Expenses:						
Awards and expenses	-	-	1,119,927	250,086	1,119,927	250,086
Grants	52,761,065	56,197,391	1,637,215	910,200	54,398,280	57,107,591
Administration (note 2(c) and Schedule 1)	8,256,693	8,027,396	-	-	8,256,693	8,027,396
Services (Schedule 1)	702,647	1,018,583	-	-	702,647	1,018,583
	61,720,405	65,243,370	2,757,142	1,160,286	64,477,547	66,403,656
(Deficiency) excess of revenue over expenses	302,987	1,355,506	(1,053,077)	1,533,723	(750,090)	2,889,229
Fund balances, beginning of year	2,871,330	2,599,740	31,181,577	30,866,655	34,052,907	33,466,395
Interfund transfers (note 5 and Schedule 2)	(373,070)	(1,026,007)	373,070	1,026,007	-	-
Net remeasurement change for the year	123,795	(57,909)	2,857,357	(2,244,808)	2,981,152	(2,302,717)
Fund balances, end of year	\$ 2,925,042	\$ 2,871,330	\$ 33,358,927	\$ 31,181,577	\$ 36,283,969	\$ 34,052,907

See accompanying notes and schedules to financial statements.

ONTARIO ARTS COUNCIL

Statement of Remeasurement Gains

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Accumulated remeasurement gains, beginning of year	\$ 4,844,082	\$ 7,146,799
Unrealized gains (losses) attributed to:		
Portfolio investments	3,408,901	(985,635)
Realized amounts reclassified to the statement of operations:		
Portfolio investments	(427,749)	(1,317,082)
Net remeasurement change for the year	2,981,152	(2,302,717)
Accumulated remeasurement gains, end of year	\$ 7,825,234	\$ 4,844,082

See accompanying notes and schedules to financial statements.

ONTARIO ARTS COUNCIL

Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
(Deficiency) excess of revenue over expenses	\$ (750,090)	\$ 2,889,229
Items not involving cash:		
Gain on income distributions	(890,353)	(1,421,218)
Realized gain on sale of investments	(427,749)	(1,317,082)
Amortization of capital assets	235,784	225,983
Change in deferred lease inducement	(165,322)	(165,320)
Change in non-cash operating working capital:		
Accounts receivable	170,695	(220,102)
Prepaid expenses	(4,095)	(47,712)
Accounts payable and accrued liabilities	397,320	153,545
Deferred contributions	4,000	(168,761)
Employee future benefits	233,233	(218,034)
	<u>(1,196,577)</u>	<u>(289,472)</u>
Capital activities:		
Purchase of capital assets	(62,078)	(114,857)
Investing activities:		
Purchase of new investments	(431,047)	(4,270,822)
Proceeds from sale of investments	1,955,036	5,099,240
	<u>1,523,989</u>	<u>828,418</u>
Increase in cash	265,334	424,089
Cash, beginning of year	5,029,487	4,605,398
Cash, end of year	<u>\$ 5,294,821</u>	<u>\$ 5,029,487</u>

See accompanying notes and schedules to financial statements.

ONTARIO ARTS COUNCIL

Notes to Financial Statements

Year ended March 31, 2024

Ontario Arts Council (the "OAC") was established in 1963 by the Government of Ontario to promote the development and enjoyment of the arts across the province. The OAC plays a leadership role in fostering excellence in the arts and making the arts accessible to all Ontarians. The OAC is a registered charity and is exempt from tax under the Income Tax Act (Canada). The Ontario Arts Council operated under the legal name of The Province of Ontario Council for the Arts until June 6, 2024 when Bill 185, *Cutting Red Tape to Build Homes Act, 2024* received Royal Assent. With the passing of Bill 185, the name has been legally changed to Ontario Arts Council.

1. Significant accounting policies:

(a) Basis of presentation:

The financial statements have been prepared by management in accordance with Public Sector Accounting Standards. The OAC has elected to use the standards for government not-for-profit organizations that include the 4200 series of the Public Sector Accounting Standards.

The OAC follows the restricted fund method of accounting for contributions.

The OAC has elected not to consolidate controlled entities (note 7).

(b) Fund accounting:

Resources are classified for accounting and reporting purposes into funds that are held in accordance with their specified purposes.

The operating fund reports the publicly funded activities of the OAC funded mainly through a general grant from the Province of Ontario. Funding from the Province of Ontario for restricted programs is accounted for as deferred contributions and recognized when the related expenses are incurred.

The restricted and endowment funds are internally restricted by the OAC or by the terms specified by the donors in their trust agreements.

Grants approved to be paid in the future upon specific requirements being met are not included in the statement of operations and changes in fund balances (note 9(b)).

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

1. Significant accounting policies (continued):

(c) Investment income:

Investment income comprises income on pooled investments and bank balances.

Investment income related to the operating fund is recognized based on the actual number of units held in the pooled investment and recognized as income of the operating fund.

Investment income on the pooled investments related to the restricted and endowment funds is recognized as income of the restricted funds.

(d) Employee benefits:

(i) The OAC follows Public Sector Accounting Standards for accounting for employee future benefits, which include post-employment benefits payable upon termination. Under these standards, the cost of the post-employment benefits paid upon termination is charged to operations annually as earned.

(ii) The OAC accrues for vacation pay, sick leave liabilities and other earned benefits for amounts that accrue but have not vested.

(e) Lease inducements:

Lease inducements include a leasehold improvement allowance and free rents received by the OAC. The total amount of the lease inducements is amortized on a straight-line basis over the lease term.

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

1. Significant accounting policies (continued):

(f) Capital assets:

Capital assets are recorded at cost (purchase price). All capital assets are amortized on a straight-line basis over the assets' estimated useful lives as follows:

Audiovisual equipment	5 years
Computer hardware and software	3 years
Furniture and fixtures	5 years
Office equipment	5 years
Office renovations	5 years
Leasehold improvements	Lease term

When a capital asset no longer contributes to OAC's ability to provide services, its carrying value is written down to its residual value.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are reported at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis.

Unrealized changes in fair value are recognized in the statement of remeasurement gains until they are realized, when they are transferred to the statement of operations and changes in fund balances.

All other financial instruments, including cash, accounts receivable and accounts payable and accrued liabilities are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and changes in fund balances and any unrealized gain or loss is adjusted through the statement of remeasurement gains.

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

1. Significant accounting policies (continued):

(g) Financial instruments (continued):

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains are reversed and recognized in the statement of operations and changes in fund balances.

The standards require an organization to classify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

- Level 1 - unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - observable or corroborated inputs, other than Level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

The OAC invests in pooled funds that hold investments categorized as Level 1 and Level 2. There was no movement between categories during the years ended March 31, 2024 and 2023. The OAC categorizes these pooled funds as Level 2.

(h) Foreign currency:

Foreign currency transactions are recorded at the exchange rate at the time of the transaction.

Assets and liabilities denominated in foreign currencies are recorded at fair value using the exchange rate at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains. In the period of settlement, the realized foreign exchange gains and losses are recognized in the statement of operations and changes in fund balances and the unrealized balances are reversed from the statement of remeasurement gains.

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

1. Significant accounting policies (continued):

i) Related party transactions:

Related party transactions are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

j) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditures during the year. Significant estimates include valuation of investments, carrying value of capital assets and provisions for certain employee future benefits liabilities. Actual results could differ from those estimates.

k) PS 3400, Revenue:

Effective April 1, 2023, the OAC prospectively adopted PS 3400, Revenue. The adoption of the new standard had no impact on the OAC.

2. Employee future benefits:

(a) Pension benefits:

The OAC's full-time employees participate in the Public Service Pension Fund ("PSPF"), which is a defined benefit pension plan for employees of the Province of Ontario and many provincial agencies. The Province of Ontario, which is the sole sponsor of the PSPF, determines the OAC's annual payments to the PSPF. Since the OAC is not a sponsor of the PSPF, gains and losses arising from statutory actuarial funding valuations are not assets or obligations of the OAC, as the sponsor is responsible for ensuring that the PSPF is financially viable. The annual payments to the PSPF of \$437,142 (2023 - \$458,242) are included in salaries and benefits in Schedule 1.

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

2. Employee future benefits (continued):

(b) Non-pension benefits:

The cost of post-retirement non-pension employee benefits is paid by the Province of Ontario and is not included in the statement of operations and changes in fund balances.

The amount of liabilities related to employee benefits, payment owing, and other earned benefits accrued at year-end was \$637,482 (2023 - \$404,249), of which \$637,482 (2023 - \$404,249) has been classified as a current liability.

The OAC has set aside funds to meet these liabilities and other obligations and invested these funds in the same pooled investments as the restricted and endowment funds. As at March 31, 2024, this investment has a market value of \$1,333,497 (2023 - \$1,169,320) and is shown under the operating fund as investments.

(c) Bill 124:

Bill 124 was repealed by the Ontario government on February 23, 2024 and therefore the restrictions on OAC under the Bill no longer apply. OAC has accrued \$283,755 in the 2023-24 fiscal year to account for retroactive compensation related to the introduction and eventual repeal of Bill 124.

3. Capital assets:

			2024	2023
	Cost	Accumulated amortization	Net book value	Net book value
Audiovisual equipment	\$ 4,240	\$ 4,167	\$ 73	\$ 515
Computer hardware and software	397,447	277,828	119,619	137,133
Furniture and fixtures	34,947	33,784	1,163	3,779
Office equipment	2,826	2,772	54	163
Office renovations	46,505	38,384	8,121	13,535
Leasehold improvements	1,476,093	1,217,778	258,315	405,926
	\$ 1,962,058	\$ 1,574,713	\$ 387,345	\$ 561,051

During the year, fully depreciated capital assets with total cost and accumulated amortization of \$569,554 (2023 - \$782,071) were written-off.

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

4. Deferred contributions:

	2024	2023
Balance, beginning of year	\$ 344,893	\$ 513,654
Add amount received during the year	42,823	12,700
Less amount recognized during the year	(38,823)	(181,461)
Balance, end of year	\$ 348,893	\$ 344,893

5. Internally restricted fund balances:

2024	Fund balances beginning of year	Transfer from (to) Operating Fund	Investment income	Awards and expenses paid	Fund balances, end of year
Venture fund	\$ 1,501,261	\$ -	\$ 144,607	\$ (506,758)	\$ 1,139,110
Board-designated reserve fund	520,447	339,553	-	(806,805)	53,195
Strategic Initiatives & Capital fund	3,662,125	-	528,902	(24,720)	4,166,307
Granting programs fund	1,562,382	26,517	-	-	1,588,899
	\$ 7,246,215	\$ 366,070	\$ 673,509	\$ (1,338,283)	\$ 6,947,511

2023	Fund balances beginning of year	Transfer from (to) Operating Fund	Investment income	Awards and expenses paid	Fund balances, end of year
Venture fund	\$ 1,488,487	\$ -	\$ 21,497	\$ (8,723)	\$ 1,501,261
Board-designated reserve fund	240,000	280,447	-	-	520,447
Strategic Initiatives & Capital fund	3,637,774	-	40,983	(16,632)	3,662,125
Granting programs fund	822,362	740,020	-	-	1,562,382
	\$ 6,188,623	\$ 1,020,467	\$ 62,480	\$ (25,355)	\$ 7,246,215

*Fund balances end of year include accumulated remeasurement gains of \$446,113 (2023 - \$812,218) presented separately in the statement of financial position.

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

6. Related party transactions:

- (a) Included in Schedule 2, awards and expenses paid, are administration fees charged by the OAC for providing day-to-day administrative support and services to the restricted and endowment funds held by the OAC. As permitted in the respective agreements, the OAC has levied an administration fee, either on a fixed or percentage basis, on the funds held or on the annual investment income earned by the funds held by the OAC.

	2024	2023
Fund administration fee	\$ 77,887	\$ 66,221

- (b) The Ontario Arts Foundation (the "Foundation") is controlled by the OAC's Board of Directors, as described in note 7. During the year, the OAC charged a fee for the administration of the Foundation's awards program which amounted to \$23,634 (2023 – \$22,668) which is included in the statement of operations and changes in fund balances.

7. Ontario Arts Foundation:

The Foundation was incorporated under the Corporations Act (Ontario) on October 15, 1991 and is a registered charity under the Income Tax Act (Canada). The Foundation was established:

- (a) to receive and maintain a fund or funds to apply all or part of the principal and income therefrom to charitable organizations, which are also registered charities under the Income Tax Act (Canada);
- (b) to provide scholarships for study or research in the arts in Ontario or elsewhere; and
- (c) to make awards to persons for outstanding accomplishments in the arts in Ontario or elsewhere.

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Ontario Arts Foundation (continued):

As defined by Canadian accounting standards for government not-for-profit organizations, the OAC controls the Foundation in that the OAC's Board of Directors controls the election of the Foundation's Board of Directors.

The Foundation's financial statements have not been consolidated in the OAC's financial statements. There are no restrictions on the resources of the Foundation, nor are there significant differences from the accounting policies used by the OAC.

The majority of the fund balances, \$75,763,340 of the total of \$109,499,134 (2023 - \$67,260,467 of the total of \$95,951,194), represents the balances of the individual arts endowment funds held by the Foundation under the Arts Endowment Fund program of the Government of Ontario for a number of arts organizations. Under this program, money contributed and matched is held in perpetuity. The Board of Directors of the Foundation determines the amount of income that may be paid annually.

Audited financial statements of the Foundation are available upon request. Financial summaries of the Foundation, reported in accordance with Canadian public sector accounting standards for government not-for-profit organizations, are as follows:

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

7. Ontario Arts Foundation (continued):

(a) Financial position:

	2024	2023
Assets		
Cash and investments	\$109,658,450	\$ 96,106,214
Liabilities and Fund Balances		
Accounts payable and accrued liabilities	\$ 159,316	\$ 155,020
Fund balances	109,499,134	95,951,194
	\$ 109,658,450	\$ 96,106,214

(b) Changes in fund balances:

	2024	2023
Fund balances, beginning of year	\$ 95,951,194	\$ 95,801,434
Contributions received	2,474,733	3,356,193
Investment gain	4,199,263	3,283,109
Fund administration fee	503,167	454,221
Awards and expenses	(6,606,533)	(5,744,821)
Net remeasurement gains (losses)	12,977,310	(1,198,942)
Fund balances, end of year	\$ 109,499,134	\$ 95,951,194

(c) Cash flows:

	2024	2023
Cash flows used in operating activities	\$ (3,504,806)	\$ (1,941,864)
Cash flows from investing activities	5,095,375	1,292,791
	\$ 1,590,569	\$ (649,073)

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

8. Investments and investment income:

Net investment income comprises the following:

	2024	2023
Income distributions	\$ 890,353	\$ 1,421,218
Realized gains	427,749	1,317,082
Bank interest	1,574,172	988,254
	\$ 2,892,274	\$ 3,726,554

Investments consist of the following:

	2024		2023	
	Cost	Fair Value	Cost	Fair Value
Foreign equities, predominantly U.S.	\$10,267,050	\$16,024,294	\$9,695,369	\$14,000,226
Fixed income securities	9,360,702	9,837,641	8,999,137	8,538,009
Canadian equities	4,535,136	6,564,980	5,556,699	6,997,863
Cash and cash equivalents	113,804	116,415	228,454	231,967
	\$24,276,692	\$32,543,330	\$24,479,659	\$29,768,065

The asset mix of the investments is as follows:

	2024	2023
Foreign equities, predominantly U.S.	49%	47%
Fixed income securities	30%	29%
Canadian equities	20%	23%
Cash and cash equivalents	1%	1%

The OAC holds fixed income securities that are exposed to interest rate risk. The interest rates range from 0.90% to 11.95% (2023 - 0.90% to 8.29%) and mature between April 2024 and July 2083 (2023 – between April 2023 and November 2082).

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

9. Commitments:

(a) Lease commitments:

The OAC leases office premises and office equipment under operating leases expiring up to December 2028. The future annual lease payments, including utilities and operating costs, are summarized as follows:

2025	\$	849,111
2026		629,693
2027 and thereafter		4,435
		<u>\$ 1,483,239</u>

(b) Grant commitments:

The OAC has approved grants of \$1,588,899 (2023 - \$1,562,382), which will be paid in future years once the conditions of the grants have been met. These amounts are not reflected in the statement of operations and changes in fund balances. These amounts are included in the internally restricted fund balance, as described in note 5.

10. Economic dependence:

The OAC is dependent on the Province of Ontario for the provision of funds to provide awards and grants and to cover the cost of operations.

11. Financial instruments:

(a) Interest rate and foreign currency risks:

The OAC is exposed to interest rate and foreign currency risks arising from the possibility that changes in interest rates and foreign exchange rates will affect the value of fixed income and foreign currency-denominated investments. OAC is in regular contact with its bank and investment manager to discuss investment options to achieve appropriate balance between risks and returns.

ONTARIO ARTS COUNCIL

Notes to Financial Statements (continued)

Year ended March 31, 2024

11. Financial instruments (continued):

(b) Market risk:

Market risk arises as a result of trading equities and fixed income securities. Fluctuations in the market expose the OAC to a risk of loss. The OAC uses a professional investment manager to advise on investment risks, asset selection and mix to achieve an appropriate balance between risks and returns. The Finance and Audit Committee of the Board of Directors of the OAC monitors investment decisions and results and meets regularly with the manager.

(c) Liquidity risk:

Liquidity risk is the risk that the OAC will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The OAC manages its liquidity risk by monitoring its operating requirements. The OAC prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. Accounts payable and accrued liabilities are generally due within 30 days of receipt of an invoice. OAC is not exposed to significant liquidity risk.

There has been no change to the above risk exposures from 2023.

12. Comparative amounts:

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted for the current year.

ONTARIO ARTS COUNCIL

Schedule 1 - Administration Expenses and Services

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Administration expenses:		
Salaries and benefits (notes 2)	\$ 6,691,012	\$ 6,276,304
Office rent and hydro	591,599	597,895
Consulting and legal fees	66,755	305,485
Amortization of capital assets	235,784	225,983
Information Services	250,898	242,405
Miscellaneous	132,287	69,642
Communications	114,817	107,267
Personnel hiring and training	59,941	117,210
Telephone, postage, and delivery	42,629	36,591
Maintenance and equipment rental	12,856	17,093
Meetings	5,777	2,068
Office supplies, printing, and stationery	14,584	7,368
Travel	37,754	22,085
	<u>8,256,693</u>	<u>8,027,396</u>
Services:		
Jurors and advisors	490,399	374,661
Other programs	212,248	643,922
	<u>702,647</u>	<u>1,018,583</u>
	<u>\$ 8,959,340</u>	<u>\$ 9,045,979</u>

FINANCIAL STATEMENTS

ONTARIO ARTS COUNCIL

Schedule 2 - Externally Restricted and Endowment Funds

Year ended March 31, 2024, with comparative information for 2023

2024	Balance of Endowment Fund	Fund balances, beginning of year	Contributions received	Transfer from (to) operating fund	Investment income	Awards and expenses paid	Fund balances, end of year*
The Chalmers Family Fund	\$ -	\$ 22,774,392	\$ -	\$ -	\$ 3,289,196	\$ (1,368,098)	\$ 24,695,490
The Oskar Morawetz Memorial Fund	26,000	330,220	-	-	51,447	(23,056)	358,611
Dr. Heinz Unger Scholarship Fund	17,235	109,572	-	-	18,314	(856)	127,030
The Leslie Bell Scholarship Fund	9,078	252,400	-	7,000	37,764	(11,765)	285,399
The Vida Peene Fund	-	267,835	-	-	38,682	(11,807)	294,710
The John Hirsch Memorial Fund	-	77,170	-	-	11,145	(520)	87,795
The Canadian Music Centre John Adaskin Memorial Fund	17,998	37,625	-	-	8,034	(375)	45,284
Colleen Peterson Songwriting Fund	-	15,295	-	-	2,209	(1,766)	15,738
The Ruth Schwartz Fund	-	542	-	-	74	(616)	-
O M A Turner – Classical Piano Fund	-	-	338,428	-	-	-	338,428
Barbara A F Shadbolt – Spoken Word	-	-	92,620	-	-	-	92,620
	\$ 70,311	\$ 23,865,051	\$ 431,048	\$ 7,000	\$ 3,456,865	\$ (1,418,859)	\$ 26,341,105

2023	Balance of Endowment Fund	Fund balances, beginning of year	Contributions received	Transfer from operating fund	Investment income	Awards and expenses paid	Fund balances, end of year*
The Chalmers Family Fund	\$ -	\$ 23,553,275	\$ -	\$ -	\$ 340,156	\$ (1,119,039)	\$ 22,774,392
The Oskar Morawetz Memorial Fund	26,000	327,189	-	-	5,101	(2,070)	330,220
Dr. Heinz Unger Scholarship Fund	17,235	116,425	-	-	1,930	(8,783)	109,572
The Leslie Bell Scholarship Fund	9,078	243,235	-	7,000	3,644	(1,479)	252,400
The Vida Peene Fund	-	235,493	30,321	-	3,402	(1,381)	267,835
The John Hirsch Memorial Fund	-	76,514	-	-	1,105	(449)	77,170
The Canadian Music Centre John Adaskin Memorial Fund	17,998	37,152	-	-	796	(323)	37,625
Colleen Peterson Songwriting Fund	-	16,454	-	-	237	(1,396)	15,295
The Ruth Schwartz Fund	-	1,984	-	(1,460)	29	(11)	542
	\$ 70,311	\$ 24,607,721	\$ 30,321	\$ 5,540	\$ 356,400	\$ (1,134,931)	\$ 23,865,051

*Fund balances end of year include accumulated remeasurement gains of \$7,133,511 (2023 - \$3,910,049) presented separately in the statement of financial position.

BOARD OF DIRECTORS

The OAC's volunteer board of directors sets OAC policies and oversees the organization's operations. Board members also play an important role as advocates for the arts in Ontario and as representatives of OAC in their communities across the province.

Board members are appointed by the Government of Ontario for a three-year term and may be reappointed.

Rita Davies, Toronto

Chair
Appointed chair July 2015
Reappointed chair July 2021
Term ends July 2024

Dani Peters, Toronto

Vice-chair
Appointed to the board May 2019
Appointed vice-chair October 2021
Term ends October 2024

Isabelle Boulerice-Leblanc, Embrun

Appointed to the board August 2023
Term ends August 2026

Twee Brown, London

Appointed to the board March 2024
Term ends March 2027

Alexandra De Gasperis, Toronto

Appointed to the board July 2019
Reappointed July 2022
Resigned January 2024

Simon Foster, Toronto

Appointed to the board March 2023
Term ends March 2026

Robin Jones, Westport

Appointed to the board March 2021
Term ended March 2024

Missy Knott, Curve Lake First Nation

Appointed to the board September 2023
Term ends September 2026

Mary Meffe, Toronto

Appointed to the board October 2019
Reappointed October 2022
Term ends October 2025

David Millen, Ottawa

Appointed to the board March 2022
Term ends March 2025

Kyan Nademi, Toronto

Appointed to the board June 2019
Reappointed June 2022
Resigned September 2023

Lilly Obina, Ottawa

Appointed to the board January 2021
Reappointed February 2024
Term ends February 2027

Geneviève Painchaud, Ottawa

Appointed to the board May 2020
Term ended May 2023

Marek Ruta, Mississauga

Appointed to the board October 2021
Term ends October 2024

EXECUTIVE STAFF

Michael Murray

CEO

Mariya Afzal

Director of granting (from January 2024)

Elise Chalmers

Interim director of granting (until January 2024)

Jaspreet Sandhu

Director of public affairs, communications and research
(from January 2024)

Heather Alinsangan

Director of research and evaluation (until May 2023)

Kirsten Gunter

Director of communications (until June 2023)

Henry Xu

Director of finance and corporate services
(from January 2024)

Interim director of finance and corporate services
(from September 2023 to January 2024)

Skanda Skanthavarathan

Interim director of finance and administration
(until June 2023)

Nina Small

Director of human resources