

# *Connecting...*

NATIONAL ARTS CENTRE OF CANADA Annual Report 1998-1999

A decorative flourish consisting of several elegant, flowing lines in a reddish-brown color, centered below the text.

"The strength of Canada is reflected in its rich diversity. Across this country, Canada's culture comes alive through our writers, singers and performers, through our filmmakers and artists and through those who chronicle our history and preserve our heritage... It is essential to connect Canadians to each other...so they can build on each other's ideas and share information."

THE GOVERNOR GENERAL, FROM THE SPEECH FROM THE THRONE, OCTOBER, 1999

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## FINANCIAL HIGHLIGHTS

## NATIONAL ARTS CENTRE

1998-1999

➤ THE NATIONAL ARTS CENTRE ACHIEVED A SIGNIFICANT TURNAROUND IN ITS FINANCIAL RESULTS THIS YEAR. THE CORPORATION IS REPORTING AN ANNUAL OPERATING SURPLUS OF \$2.05 MILLION, WHICH COMPLETELY ELIMINATES LAST YEAR'S ACCUMULATED DEFICIT OF \$1.66 MILLION AND RESULTS IN AN ACCUMULATED SURPLUS AT AUGUST 31, 1999 OF \$382,000. THESE RESULTS WERE ACHIEVED THROUGH INCREASED EARNED REVENUES OF ALMOST \$1.9 MILLION AND DECREASED OPERATING EXPENDITURES OF \$640,000 OVER THE PREVIOUS YEAR.

➤ PROGRAMMING REVENUES INCREASED BY \$1.2 MILLION OVER THE PREVIOUS YEAR'S RESULTS. DONATIONS AND SPONSORSHIPS ALSO INCREASED BY \$1.4 MILLION DUE IN LARGE PART TO THE SUCCESS OF THE CHALLENGE FUND. REVENUES FROM COMMERCIAL OPERATIONS (RENTALS, PARKING, FOOD SERVICE) DECREASED BY \$839,000, PARTLY AS A RESULT OF THE FINANCIAL DIFFICULTIES OF LIVENT INC., WHICH CAUSED THE CANCELLATION OF A PRESENTATION OF THE PHANTOM OF THE OPERA. INCREASED INVESTMENT INCOME ACCOUNTS FOR THE REMAINDER.

➤ ALTHOUGH THERE WAS A DOWNWARD TENDENCY IN TOTAL EXPENSES OVER LAST YEAR, THREE AREAS WENT AGAINST THAT TREND. ADMINISTRATION EXPENSES INCREASED BY \$1.264 MILLION BECAUSE OF ONE-TIME RESTRUCTURING CHARGES, INFORMATION TECHNOLOGY EXPENDITURES GREW BY \$81,000 DUE TO SYSTEM UPGRADES ADDRESSING THE YEAR 2000 ISSUE (Y2K), AND FUNDRAISING AND DEVELOPMENT EXPENSES INCREASED BY \$80,000 MAINLY AS A RESULT OF SERVICING THE CHALLENGE FUND AND THE RECOGNITION OF IN-KIND GIFTS. THESE EXPENSES WERE COMPENSATED FOR BY DECREASED EXPENDITURES IN BUILDING OPERATIONS OF \$700,000, IN COMMERCIAL OPERATIONS OF \$775,000, AND IN PROGRAMMING OF \$590,000.

➤ PARLIAMENTARY APPROPRIATIONS AVAILABLE FOR OPERATING EXPENSES ROSE PRIMARILY BECAUSE OF THE RECEIPT OF \$1 MILLION RELATING TO THE PREVIOUS YEAR'S FESTIVAL CANADA AND THE REDUCTION OF APPROXIMATELY \$500,000 OF INVESTMENTS IN CAPITAL SPENDING FROM LAST YEAR'S AMOUNT, WHICH INCREASED THE AMOUNT AVAILABLE FOR OPERATIONS. INCREASED AMORTIZATION OF CAPITAL FUNDING OF \$237,000, AND A NUMBER OF OTHER FUNDING ADJUSTMENTS ACCOUNT FOR THE REMAINDER.



CONNECTING...WITH OUR PARTNERS

*The power of artistic synergy*

FOR THIRTY YEARS, THE NATIONAL ARTS CENTRE HAS SHARED A GOAL WITH THE OTHER NATIONAL CULTURAL INSTITUTIONS OF CANADA — THE CBC, THE CANADA COUNCIL FOR THE ARTS, THE NATIONAL FILM BOARD, TELEFILM CANADA, AND OUR MANY WONDERFUL MUSEUMS, AMONG OTHERS.

We are all, in one way or another, in the business of education; we all share a deep desire to celebrate and foster the cultural spirit that defines Canadians. This year we are buoyed by an optimism that dares us to expand our notion of partnership. As we enter the new millennium, we wish to build on our foundation of traditional relationships by creating new and imaginative programs that cross traditional boundaries and necessitate co-operative effort. To finance these programs, we plan to forge new ties with foundations, corporations and philanthropic individuals across the country. The challenge will be to generate exciting new ideas, develop programs to carry them through, and sell those ideas to our partners in both government and the private sector.



CONNECTING...WITH YOUTH

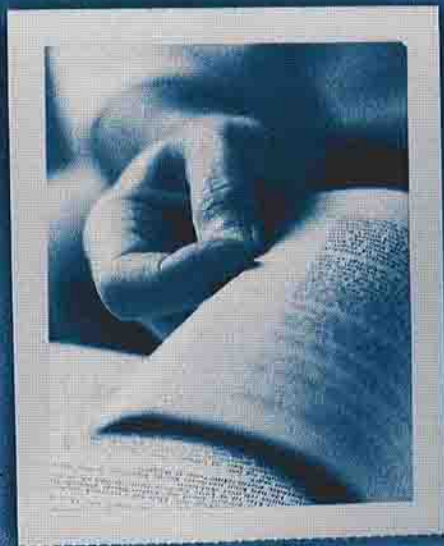
*Creating tomorrow's artists*

NOWHERE DOES THE SPARK OF CURIOSITY BURN MORE BRIGHTLY THAN IN THE EYES OF CHILDREN. WE MAKE OUR GREATEST INVESTMENT IN CANADA'S FUTURE WHEN WE NURTURE THAT SPIRIT.

Yet our national investment in educating the young in the arts is under siege everywhere: budget cutbacks in our public systems have meant the downgrading or elimination of programs in music, in theatre, and in dance. An entire generation of Canadian youth is at risk of losing any exposure to the creative arts. At the National Arts Centre, we are determined to help fill the gap. We have for many years engaged thousands of young people in the National Capital Region in special performances, open rehearsals, workshops and master classes. Now we are committing ourselves to a major expansion of such activities through active touring of our orchestra and by making imaginative use of electronic media, including video, television and the Internet, in developing teaching materials and programs for the young.



## CONNECTING...OUR FUTURE ARTISTS

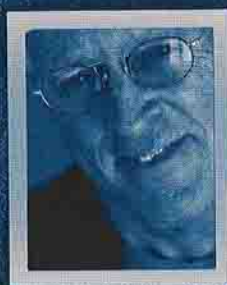
*A commitment to training*

**CANADA IS FORTUNATE TO POSSESS SOME OF THE WORLD'S  
FINEST INSTITUTIONS FOR THE TRAINING AND DEVELOPMENT OF  
PROFESSIONAL PERFORMING ARTISTS:**

The Banff Centre for the Arts, the National Theatre School, The National Ballet School, music conservatories and the schools of the major dance companies, among others, have for many years provided first-class professional training at the highest level. Most of our leading artists have benefited from working with them. The National Arts Centre is in a position to assist and augment these activities by delivering hands-on training, master classes and internships, exposing students to artists, audiences and facilities of international stature. We are committed to cooperate with our training centres in developing imaginative and innovative opportunities for our artists of the future, and we pledge our energies to this end.



## CONNECTING...CANADIANS

*Champions of the performing arts*

FROM POLITICIANS AND PUBLIC SERVANTS TO PRIVATE CITIZENS.  
FROM LEADERS IN BUSINESS AND INDUSTRY TO REGIONAL  
COMMUNITY GROUPS. FROM AUDIENCES AND DONORS TO OUR OWN  
SUPPORT STAFF AND TECHNICIANS.

These are the people whom we celebrate as leaders of the performing arts in Canada. It is their support that brings the magic of live performance to new audiences on a nightly basis. It is their determination that will ensure that a love of the performing arts continues to inspire Canadians. With their guidance and support, we provide a welcoming venue and a voice for the expression of ideas to entertain and challenge. These are our stakeholders. The National Arts Centre is theirs, and we are determined to intensify our efforts to warrant their feelings of ownership, pleasure and pride.



## CONNECTING... CANADA'S ARTISTS

*Embracing our nation's diversity*

WHERE WOULD WE BE WITHOUT OUR PERFORMING ARTISTS—THOSE TALENTED CANADIANS WHO HAVE DEDICATED THEIR LIVES TO UNDERSTANDING THE UNIQUENESS OF CANADA AND PRESENTING THEIR IMPRESSIONS ON THE NATION'S AND THE WORLD'S STAGES?

Their efforts provide us with a new understanding of our Canadian diversity and solidify the common ground of a shared national identity. Their significance extends far beyond our walls. This year, we look to new partnerships, travel and expanded use of technology to give Canadians a greater taste of their nation's cultural richness. Through co-productions with world-renowned institutions like the Stratford Festival and le Grand Théâtre de Québec, national broadcasts, live webcasts, recordings of orchestral performances, a return to touring and music master classes, and continuing collaboration with our sister institutions, we are reaching out to all Canadians and indeed, beyond our borders.



## FROM THE CHAIR


**THE NATIONAL ARTS CENTRE IS THIRTY!**


So much has happened since the happy day in May, 1969 when Prime Minister Pierre Trudeau and Director General Hamilton Southam baptized the new offspring and brought a new era to both Canada and the National Capital Region.

Since then, literally millions of Canadians and visitors have taken their seats at National Arts Centre (NAC) performances. The world's biggest stars have performed on our stages. Canadian performers, composers, authors, directors and technicians have honed their craft at one or more of our three theatres, in co-productions with other groups across the country, or on tour in Canada and other parts of the world. Young and not-so-young Canadians have had their first exposure to the highest levels of dance, theatre and music thanks to the NAC.

It is a record of which we should all be proud. It has more than fulfilled the hopes and dreams of those whose foresight created the Centre thirty years ago. It has changed the face of Canada. Maintaining and enhancing that record is our goal for the future.

Today, as we look back over the events of the past year, we also look forward to the future. History will, I believe, record that 1999 marked not only a significant anniversary, but a turning point in the affairs of the NAC.

A year ago, my predecessor reported that 1998 had been a year of "both promise and disappointment". The Centre recorded an operating deficit of \$3.1 million. High levels of activity on our stages were not matched by an increase in attendance. The Chief Executive Officer subsequently resigned. High hopes generated by the dramatic \$1 million donation by Alexei Yashin were later dashed in controversy, only to be relieved by the generosity of other donors. A special examination by the Auditor General's office was sharply critical of many aspects of the Centre's management.

Today, the NAC is reporting an abrupt turn in its circumstances. We have a new Director General and Chief Executive Officer, Peter A. Herrndorf. The accumulated deficit has been eliminated, and our balance sheet is strong thanks in part to the outstanding work undertaken by Interim Director and CEO, Elaine Calder. Management systems, the focus of the Auditor General's special report, have been upgraded and replaced. Attendance is up, and audience response has been positive. We are expanding in a number of directions, artistically, organizationally, and in our physical plant. There is a mood of growth and optimism.

This change has come about through the efforts of many people. Much of the groundwork was laid by our predecessors - led by Jean Thérèse Riley as Chair, and Elaine Calder as CEO - by the Trustees, and by the members of the management and artistic staff. We have also enjoyed backing for the changes from the federal government, notably the Minister, Deputy Minister and staff of the Department of Canadian Heritage. Underpinning it all has been the ongoing support of our many friends, subscribers and donors to whom we are all deeply grateful. As we turn thirty, the future looks bright indeed.

On behalf of the Board of Trustees,

**DAVID S.R. LEIGHTON**  
Chair of the Board of Trustees

## CORPORATE GOVERNANCE AT THE NAC

The National Arts Centre Act in 1969 established "a Corporation, to be known as the National Arts Centre Corporation, consisting of a Board of Trustees". The Board is currently composed of a Chair, a Vice-Chair, the Mayors of Ottawa and Hull *ex officio*, and six other members appointed from across Canada for three years renewable. The objects of the Corporation are to operate and maintain the Centre, to develop the performing arts in the National Capital Region, and to assist the Canada Council for the Arts in the development of the performing arts elsewhere in Canada.

Among other powers listed in the Act, the Board of Trustees has the power to appoint a Director of the Centre, who is the Director General and Chief Executive Officer, for a renewable term not exceeding five years. The Board may also make bylaws for the regulation of its proceedings, for the establishment of advisory committees, for fixing remuneration and travel and living expenses for the Board (subject to ministerial approval), and "generally, for the conduct and management of its activities". The Board is the Corporation and is ultimately responsible for the performance of the National Arts Centre.

This is the legal framework within which the NAC is governed. It differs in a number of respects from the governing framework of other crown corporations, perhaps most significantly in giving the Board the power to appoint the Chief Executive Officer of the Corporation.

The Board of Trustees has recently undertaken a major review and re-examination of its own governance activities in the light of the evolving pattern of "best practices" in corporate governance generally. In so doing, it has been guided by two significant recent publications: *Where Were The Directors?*, the December 1994 report of the Toronto Stock Exchange Committee on corporate governance in Canada; and *Corporate Governance in Crown Corporations and Other Public Enterprises*, the June 1996 guideline document published by the Department of Finance and the Treasury Board of Canada.

As a result of this process of review, the Board of Trustees has made a number of decisions, implementation of which is intended to significantly improve the functioning of the Board and the management of the Corporation generally.

- > The Board has appointed a new Director General and Chief Executive Officer, who is now in place and engaged in developing a strategic plan and budgets for the NAC. Once these have been approved, quantitative targets and goals will be developed, and a performance measurement system implemented.
- > The Corporation's legislated mandate has been reviewed, and steps are being taken to clarify certain aspects, particularly its national mandate and the relationship with the Canada Council for the Arts.
- > The Board is in the process of preparing position descriptions for the jobs of Trustee, Chair of the Board, and Director General and Chief Executive Officer that are intended to clarify the responsibilities of each and the appropriate relationship of one to the other. These should be completed and in place by the end of 1999.
- > The Board has an ongoing dialogue with the new Director General and Chief Executive Officer and has actively participated in developing his plans for new strategic thrusts for the Corporation.
- > The committee structure of the Board is being redesigned to better reflect the activities of the Board in addressing the strategic direction of the Corporation. In particular, the use of the Executive Committee is to be downgraded in the interest of having the Board as a whole more fully involved in key issues and decisions; the Finance and Audit Committees are to be merged; and new committees are to be established in Human Resources and in Marketing and Development. Further changes are contemplated, and greater use is to be made of non-Trustee committee members in all committees.
- > Better communication, both between management and Trustees and between Trustees and the public, is to be fostered and encouraged. Specifically, the Board Chair has instituted a monthly letter to Trustees reporting on current management issues; provision has been made for regular telephone conferences of trustees between scheduled Board meetings; the practice of holding public sessions in conjunction with regular meetings of the Board is to be continued; at least one regular Board meeting a year will be held in a location other than Ottawa; and the Corporation's annual report is being substantially redesigned to provide more information both to our shareholder, the Government of Canada, and to our public stakeholders.
- > The process of managing Board succession has been clarified with the Minister of Canadian Heritage, whereby the Board will, in anticipation of a vacancy, submit names of prospective qualified candidates to the Minister for discussion and final approval by the Minister, as provided by the Act.
- > Steps have been taken to improve the level of preparation and orientation for new Board members. A Director's Manual is being prepared for distribution to all Trustees, and the Chair will have responsibility for the orientation of new members.
- > The Board is undertaking a review of its own compensation practices, and the adequacy of these to attract highly qualified individuals as well as to compensate current Board members for the time required as a result of the more active and intensive commitment that is envisaged.

The above actions, taken together, represent significant change in the role of the Board. They have all been discussed with the active participation of the Director General and Chief Executive Officer, and are designed to lead to more effective governance of the Centre. There is no question that they will mean a much greater commitment on the part of the Trustees, and will necessitate a rigorous process of selection based primarily on expertise and qualifications for leading Canada's national centre for the performing arts in the years to come. The Centre and its stakeholders deserve no less.



## CHRONOLOGICAL LISTING OF ARTISTIC EVENTS

SEPTEMBER 1, 1998 TO AUGUST 31, 1999

08 R OP Ottawa Symphony Orchestra  
 11 R OP Steven Wright  
 12-13 R OP Ginette Reno  
 15 R OP Sharon, Lois & Bram  
 17-Apr. 03 ET TH Homeward Bound  
 18-20 M OP NACO Pops Series - A Night at the Oscars - Eddins - Goberman  
 22 D OP Bill T. Jones/Arnie Zane Dance Company - We Set Out Early... Visibility Was Poor  
 24-26 D OP Royal Winnipeg Ballet - Dracula  
 24-27 FT ST Série Découverte - Orféo  
 28 M NG Music for a Sunday Afternoon - NACO Ensembles - Katz  
 29-Apr. 03 ET TH Canadian Improv Games - Ottawa Regional Tournament

## &gt; APRIL 1999

03-10 R OP Opera Lyra Ottawa - Tosca  
 09 M OP NACO - Bell Mobility Private Concert - Brott  
 10 D TH Truus Bronkhorst and Marien Jongewaard - The Fall  
 13-24 ET ST Still the Night  
 14 M OP NACO Baroque Series - Decker - Cantata Singers of Ottawa  
 15 M OP Recital Series - Murray Perahia  
 15-24 FT TH Série Répertoire - Le Barbier de Séville  
 16 M OP NACO Light Classics - Decker - Cho  
 17-18 R OP Grease  
 19 R OP Unique Lives and Experiences - Mia Farrow  
 21-22 M OP NACO Premier Ovation - Decker - Nielsen - Sykes - Corey  
 24 M OP NACO Young People's Concert - Tales of Jeremy and Peter - Brott  
 24 R OP Marc Dupré  
 28-29 M OP NACO Premier Signature - Decker - Rubes - Dvorsky - Baerg - Stilwell - Papoulias - Short - Robitaille - Bindig - Lehmann - Rouleau - Ottawa Choral Society  
 28-May 01 ET TH Canadian Improv Games - National Semi-Finals and Finals  
 29-May 09 FT ST Petits-Trots - La Poupée dans la poche  
 30 R OP Linda Lemay

## &gt; MAY 1999

01 R OP Lise Dion  
 02-03 FT PA Série lectures-spectacles - Cycle Belle-Époque  
 03 R OP Ottawa Symphony Orchestra  
 03 M ST Debut Series - Ian Parker  
 04 R OP Unique Lives and Experiences - Betty Mahmoody  
 05-22 ET TH Billy Bishop Goes to War  
 07-08 R OP Alain Morisod  
 07-08 D ST Voortman & de Jonge - Reparations  
 13-15 M OP NACO Pops Series - A Little Night Music - Laforest - Gagnon  
 15-16 ET ST Family Theatre Series - Peacemaker  
 16 M NG Music for a Sunday Afternoon - NACO Ensembles  
 19-22 D OP National Ballet of Canada - Swan Lake  
 23 FT ST Grands-Galops - L'Orchidée  
 26 M OP NACO Baroque Series - McCreesh  
 26-30 ET AC On the Verge... Theatre New Works Festival  
 27-June 05 FT TH Série Répertoire - Lorenzaccio  
 28 M OP NACO Light Classics - Abel - G'froerer - Hutchins  
 29 SP OP The Stage for Aids

## &gt; JUNE 1999

01 R OP Unique Lives and Experiences - Lynn Johnston  
 01 M ST Debut Series - Normand - Baril  
 02-03 M OP NACO Premier Ovation - Bernardi - Perlman  
 04-19 FT Les 15 Jours de la dramaturgie des régions :  
 04-05 FT ST Les 15 Jours...Les Cascadeurs de l'amour  
 05-06 FT NS Les 15 Jours...Mentire  
 05-06 FT TE Les 15 Jours...Une Hyène à jeun  
 07-08 FT ST Les 15 Jours...Exils  
 08-09 FT AC Les 15 Jours...Le Besson  
 09-10 FT NS Les 15 Jours...Les Champs de boue  
 10 M OP 30th CBC Radio National Competition for Young Performers - NACO - Bernardi  
 10-11 FT ST Les 15 Jours...La Raccourcie  
 11-12 FT AC Les 15 Jours...Des Roseaux dans la tempête  
 13 FT NS Les 15 Jours...Père Goguen, gardien de phare  
 13 FT SA Les 15 Jours...Poèmes aux 4 vents  
 14-15 FT CP Les 15 Jours...Si par al'zahr vous entendez un o'kolo dans les ciels magnifiques  
 15-16 FT ST Les 15 Jours...Les Contes subdubois  
 17-18 FT NS Les 15 Jours...Le Costume  
 18-19 FT ST Les 15 Jours...Laurie ou la vie de galerie  
 18 M TH 1999 Conductor's Training Workshop - NACO  
 08-20 R OP Riverdance  
 22 M ST Debut Series - Platts - Sharon  
 24-26 R OP Les Chansonniers d'hier à demain  
 30-July 03 V OP Notre Dame de Paris

## &gt; JULY 1999

01 M TH Unisong'99  
 02 M TH Kumho Asiana String Quartet  
 06-Aug. 02 M OP Great Composers Festival  
 06 M OP Mozart - NACO - Zukerman  
 08 M OP Paganini - Mendelssohn - NACO - Zukerman - Gringolts  
 13 M OP Beethoven - NACO - Zukerman - Kuerti  
 17 M OP Schubert - NACO - Zukerman - Beaver  
 18 M CP Ottawa International Jazz Festival - NACO - Amram - Basso - Turner - Hollins - Ellias - Lavergne  
 20 M OP Rossini/Bruch - NACO - Labadie - St. John - Bayrakdarian  
 22 M OP Chopin - NACO - Oundjian - Fialkowska  
 28 M OP Wagner - NACO - Bernardi - Heppner - National Youth Orchestra

## &gt; AUGUST 1999

01 M/R OP Piano Six in Concert  
 02 M OP Great Composers Festival  
 Mahler - NACO - Talmi - Ehnes - Jeunesses Musicales World Orchestra

&gt; KEY M = Music ET = English Theatre FT = French Theatre D = Dance R = Rental SP = Special

&gt; LOCATIONS OP = Opera TH = Theatre ST = Studio EL = Elgin Room PA = Panorama Room SA = Salon NG = National Gallery NS = La Nouvelle Scène UO = University of Ottawa AC = Arts Court Theatre CP = Confederation Park TE = NAC Terrace

## CHRONOLOGICAL LISTING OF ARTISTIC EVENTS

SEPTEMBER 1, 1998 TO AUGUST 31, 1999

## &gt; SEPTEMBER 1998

08-13	V	OP	Patsy
17-26	FT	TH	Série Répertoire - La Tempête
14-20	R	OP	Chicago
23	M	OP	NACO Baroque Series - Pearlman
25	M	OP	NACO Light Classics - Wilkins - Glasco - Antonijevic
27	R	OP	Rankin Family
29	D	TH	Grupo Corpo
29-Oct. 4	R	TH	Ottawa International Animation Festival
30-Oct. 1	M	OP	NACO Premier Signature - Bernardi - Slobodyanik

## &gt; OCTOBER 1998

02-03	D	ST	Ruth Cansfield Dance
03	M	OP	Kathleen Battle Gala - NACO - Bernardi
05	R	OP	Ottawa Symphony Orchestra
06	D	TH	Liat Dror Nir Ben Gal Company - Anta Oumri
07-08	M	OP	NACO Premier Ovation - Bamert - Hewitt
09	R	OP	Raymond Devos
11	FT	ST	Petits-Trots - Monsieur Bach, Monsieur Bach
14-31	ET	TH	An Ideal Husband
14-16	FT	ST	Série Découverte - Les Guerriers
18	R	OP	Art Garfunkel
19-20	D	ST	Vincent Dunoyer - Three Solos for Vincent Dunoyer
17-24	R	OP	Opera Lyra Ottawa - The Magic Flute
23	M	OP	NACO Light Classics - Zukerman - Goodyear - Ariana Zukerman
25	M	UO	Music for a Sunday Afternoon - NACO Ensembles - Zukerman
25-26	FT	PA	Série de lectures-spectacles - Cycle Belle-Époque
26-Nov. 7	ET	ST	The Bush - Ladies
27	M	OP	NACO Baroque Series - Zukerman
28	R	OP	Mario Pelchat
29-31	M	OP	NACO Pops Series - An Evening with Marvin Hamlisch

## &gt; NOVEMBER 1998

01	R	OP	John McDermott
02	R	OP	Gilbert Bécaud
03-04	D	TH	Compagnie Marie Chouinard - Les Solos
07	SP	OP	Governor General's Performing Arts Awards Gala
08-09	D	OP	Ballet Cristina Hoyos - Arsa y Toma - Flamenco
10-11	M	OP	NACO Premier Ovation - Lacombe - Hvorostovsky
11-28	ET	TH	A Man For All Seasons
12-13	R	OP	Jann Arden
12-19	SP	OP	Israel at 50
14	M	OP	NACO Young People's Concerts - Meet the Orchestra - Brott
14	R	OP	Warren Miller Ski Film
15	FT	ST	Théâtre Jeunesse - Gerard Dalton
18	M	OP	NACO Premier Signature - Zukerman - Shamai
20-21	R	OP	Lise Dion
22	R	OP	Ottawa Symphony Orchestra
25	M	OP	NACO Baroque Series - Zukerman - G'froerer
25-28	FT	ST	Série Découverte - Les Trois Derniers Jours de Fernando Pessoa
26	M	OP	Recital Series - Schade - Braun - Maule
27	M	OP	NACO Light Classics - Zukerman
29	R	OP	The Chieftains
30	R	OP	Isabelle Boulay

## &gt; DECEMBER 1998

03-06	D	OP	Les Grands Ballets Canadiens - The Nutcracker
03-12	FT	TH	Série Répertoire - La Mandragore
05-06, 12	ET	ST	Family Theatre Series - The Story of Holly & Ivy
08	V	OP	The Magic Schoolbus - Live! A Bright Idea

10-12	M	OP	NACO Pops Series - Holly Cole Holiday Celebration
12	M	OP	NACO Young People's Concerts - Festival of Lights - Brott
13	FT	ST	Grands-Galops - L'Arche de Noémie
16-17	M	OP	NACO Premier Ovation - Decker - Haendel
19	D	OP	Trinity Irish Dance Company
19-Jan. 03	ET	TH	The Secret Garden
22-23	M	OP	NACO - Messiah - Decker - Gauvin - Burgess - Gietz - Polegato - Ottawa Choral Society
31	V	OP	New Year's Eve at the NAC featuring Denzal Sinclair - Bill Coon Project along with guest artist Carol Welsman

## &gt; JANUARY 1999

01	M	OP	Viennese New Year's Celebration - Rudel - Brett - Boutet
04-10	R	OP	Fame
12-13	M	OP	NACO Student matinees - Brott
14-16	M	OP	NACO Pops Series - Rags and Tangos - Rifkin - Quartango
18	M	OP	Recital Series - Radu Lupu
20-21	M	OP	NACO Premier Signature - Hirokami Kuerti
20-22	FT	ST	Série Découverte - Les Nuits de la liberté
20-Feb. 6	ET	TH	Skylight
22	R	OP	Nana Mouskouri
23	M	OP	NACO Young People's Concerts - Animal Crackers - Brott
25	R	OP	Ottawa Symphony Orchestra
27-28	M	OP	NACO Premier Ovation - Bamert - NEXUS
29-30	D	OP	La La La Human Steps - Exaucé
31	M	NG	Music for a Sunday Afternoon - NACO Ensembles - Becker
31	FT	ST	Petits-Trots - Le Jardin des songes

## &gt; FEBRUARY 1999

02	R	OP	Unique Lives and Experiences - Mary Tyler Moore
03	M	OP	NACO Baroque Series - Rifkin - Trudel
05	M	OP	NACO Light Classics - Parisotto - Burashko
06-08	R	OP	Broue
07-08	FT	PA	Série de lectures-spectacles - Cycle Belle Époque
07	FT	ST	Grands-Galops - Un éléphant dans le cœur
08	M	ST	Debut Series - Manoukian - Kortgaard
09	M	OP	NACO Students Matinees - Brott
11-13	M	OP	NACO Pops Series - Our Love Is Here To Stay - Pizzarelli
11-20	FT	TH	Série Répertoire - Un fil à la patte
12-13	D	ST	Benoit Lachambre - Délire défait
14	M	OP	Recital Series - Zukerman - Neikrug
15-17	V	ST	Volcano - Macbeth
17-18	M	OP	NACO Premier Signature - Pehlivanian - Lortie
20	M	OP	Black & White Opera Soirée - NACO/Opera Lyra Ottawa - Bernardi - Margison - Brett - Stilwell - Bazeza
20-21	ET	ST	Family Theatre Series - The Starkeeper
25-27	D	OP	Les Grands Ballets Canadiens - Carmina Burana

## &gt; MARCH 1999

01-13	ET	TH	A Common Man's Guide to Loving Women
02	R	OP	Unique Lives and Experiences - Coretta Scott King
03-04	M	OP	NACO Premier Signature Series - Labadie - Celino and Lito Romero
06	R	OP	Claudine Mercier
06-13	V	TH	Jacques Brel is Alive and Well and Living in Paris
07	M	NG	Music for a Sunday Afternoon - NACO Ensembles - Campbell





## SPECIAL EVENTS

AT THE NATIONAL ARTS CENTRE, WE RECOGNIZE THAT RELATIONSHIPS ARE THE FOUNDATION OF OUR SUCCESS. FOR THAT REASON, EACH YEAR, WE CELEBRATE NOT ONLY THE PERFORMING AND LITERARY ARTISTS WITH WHOM WE PARTNER, BUT ALSO THE VISUAL ARTISTS WHOSE APPRECIATION FOR CULTURE WE SHARE. THIS YEAR, WE ENGAGED IN SEVERAL COLLABORATIONS WITH SEVERAL ORGANIZATIONS TO PRESENT AN ARTISTIC EXPRESSION OF IDEAS BOTH ON OUR WALLS AND IN THE COMMUNITY.

1. **OTTAWA INTERNATIONAL WRITERS' FESTIVAL**  
September 10 - 19, 1998
2. **GOVERNOR GENERAL'S PERFORMING ARTS AWARDS GALA**  
November 7, 1998
3. **A NEW YEAR'S EVE EXTRAVAGANZA**
4. **BLACK & WHITE OPERA SOIRÉE**  
February 20, 1999

5. **CANADIAN TULIP FESTIVAL**  
May 14 - 24, 1999
6. **"THE STAGE FOR AIDS / LES ARTS POUR LA VIE"**  
May 29, 1999
7. **DANCE ADVANCE**  
May 30, 1999

## EXHIBITS

### > JANUARY 1999

BRITISH COUNCIL

### > FEBRUARY 1999

NATIONAL CAPITAL ALLIANCE ON RACE RELATIONS, THE HARMONY FOUNDATION (TORONTO) AND THE DEPARTMENT OF CITIZENSHIP AND IMMIGRATION

### > MARCH 1999

ANNÉE DE LA FRANCOPHONIE

### > MAY 1999

DELEGATION OF THE EUROPEAN COMMISSION IN CANADA (EUROPEAN UNION)

MINES ACTION CANADA

ROGERS CABLE

CANADIAN TULIP FESTIVAL

CANADIAN WAR MUSEUM

### > JUNE 1999

NATIONAL ARCHIVES OF CANADA

OTTAWA CITIZEN

COSTUME: DESIGNS FOR THE STAGE

## RENTALS

Through relationships with producers and promoters locally, nationally and internationally, NAC rentals have contributed to the excellence and diversity of programming at the NAC by presenting a variety of artistic performances and events. Some highlights of the 1998-1999 season include Broadway productions of *Chicago*, *Riverdance* and *Fame* presented by Eagle Eye Entertainment; performances by The Rankins, Jann Arden and The Chieftains presented by Universal Concerts Canada; and performances by Gilbert Bécaud and Claude

Reno presented by Specplus. Ottawa's own Opera Lyra Ottawa season included productions of *The Magic Flute*, and *Tosca*, and the Ottawa Symphony Orchestra presented five concerts. Some of our regional clients include the University of Ottawa, Carleton University and Algonquin College, all of which held their convocation ceremonies at the NAC, and Newbridge and Nortel, who hosted corporate events at the NAC this season.



## YOUTH PROGRAMMING

## &gt; MUSIC

## &gt; STUDENT MATINEE CONCERTS

The Music Department expanded their four concert series to five concerts and presented a varied range of orchestral music to students in the junior and intermediate grades. Close to 10,000 students and teachers attended the concerts.

## &gt; MUSICIANS IN SCHOOLS

Various chamber formations of string, percussion, woodwind and brass instruments from the NAC Orchestra gave 60 concerts in school auditoriums and classrooms for all grades.

## &gt; NEWSPAPERS

Collaborations with *The Ottawa Citizen* and *Le Droit* enabled us to produce student newspapers that help prepare teachers and students for concerts.

## &gt; STUDENT OPEN REHEARSALS

Admission was free of charge to music students at the intermediate and senior level. Eighteen open rehearsals were held with full attendance totalling 1,080 students.

## &gt; EVENINGS AT THE ORCHESTRA

Discounted tickets were available to high school students for the NAC Orchestra's Premier and Light Classic Series concerts.

## &gt; YOUNG PEOPLE'S CONCERTS

Four National Arts Centre Orchestra concerts conducted by Boris Brott entertained more than 8,400 people. Pre-concert activities were organized, staffed and funded by the National Arts Centre Orchestra Association volunteers.

## &gt; NEXUS PERCUSSION WORKSHOP

Eight interactive workshops for students featured Nexus and were sponsored by the Canada Council for the Arts in February 1999.

## &gt; NAC/BELL MOBILITY BENEFIT CHILDREN'S CONCERT

This concert, held in April 1999, enabled young people who could not otherwise afford to purchase tickets to attend performances at the NAC.

## &gt; MASTER CLASSES

As of March 1999, 39 master classes had been scheduled. Master classes are aimed at students in grades 7 to 12/OAC and are available for all orchestral and band instruments.

## &gt; DANCE

## &gt; SCHOOL MATINEES

More than 8,500 students attended school matinees or took advantage of the half-price evening tickets available for all shows in the Dance department during the 1998-1999 season.

Teaching guides were prepared and sent to teachers to help prepare students.

## &gt; ENGLISH THEATRE

## &gt; FAMILY PRESENTATIONS

Family presentations were attended by a total audience of 10,500.

*The Secret Garden*, a special NAC holiday production was staged with local professionals and students from the Ottawa School of Speech and Drama.

The Family Theatre series of 3 plays for ages 5 to 9 featured outstanding young audience companies from across Canada.

## &gt; PROGRAMS FOR STUDENTS

Over 8,000 students participated in our special student programs and many more attended regular performances.

Students in the National Capital Region attended six special student matinees at the NAC and 44 theatre workshops in schools. Study guides prepare students for each production. The NAC also supports activities of the Ottawa School of Speech and Drama.

High school students from all regions of Canada converged for the popular annual Canadian Improv Games.

Half-price tickets were offered for all productions in the Mainstage and Studio subscription series.

## &gt; FRENCH THEATRE

The French Theatre offered student matinees for six productions (a total of eleven performances).

The Ado special offered nine performances of two productions, the Grand-Galops series offered 24 performances of three productions, and the Petits-Trots series presented 37 performances of three productions for youth. Some 23,717 young spectators attended performances in these series.

Teaching guides were prepared and sent to teachers to help prepare students.





## FRENCH THEATRE

*A global celebration of talent*

**A HIGHLIGHT OF THE SEASON WAS THE PRESENCE IN OTTAWA OF SO MUCH FRANCOPHONE THEATRICAL TALENT DURING THE 15 JOURS DE LA DRAMATURGIE DES RÉGIONS.**

This event was held in partnership with l'Association des Théâtres francophones du Canada, the Department of Canadian Heritage, the Canada Council for the Arts and the Secrétariat aux affaires intergouvernementales, Quebec Government. Twenty-five theatre companies from all across Canada and one from Africa, along with 200 playwrights, musicians, poets, storytellers and actors, took part in the event, which was sponsored by the French Theatre and the Association des théâtres francophones du Canada and attracted national media attention. Regional theatre development was also pursued with a number of co-productions, including *L'aine ou la vie de galerie* (Théâtre l'Escaouette and Théâtre populaire d'Acadie) and *Les Champs de boue* (Théâtre Trillium).

The hit of last season, *Le Barbier de Séville*, starring Benoît Brière, was – like the four other plays in the Répertoire series – a French Theatre co-production. This very popular series saw its number of subscribers jump by 39%. The public especially appreciated the talent of directors Robert Lepage, Jacques Rossi, Daniel Roussel, René Richard Cyr and Claude Poissant.

Thanks to their quest for new staging technologies and their creativity, visionaries Denis Marleau, Michel Lemieux and Victor Pilon made the Découverte series a must-see, with *Les Trois Derniers Jours de Fernando Pessoa* and *Orfeo* respectively. These two productions embodied the global village, with co-producers coming from Montreal, Dijon, Lisbon, Paris, Ottawa and Washington (The Kennedy Center).

The Petits-Trots and Grands-Calops series 'playing to the general public on Sundays' continued to be very popular, touching the hearts and imaginations of 900 subscribers. Notable last season was the play *Un éléphant dans le coeur*, by Théâtre des Confettis (Quebec City), a first and highly successful foray into children's theatre by playwright Jean-Frédéric Messier.

The French Theatre also featured a new cycle of readings, directed by Jean Herbiet. On the program were one-act comedies by Feydeau, Courteline, Labiche, Renard and Guitry, performed by the new generation of actors in the Outaouais.

After a year of preparation, the association *Les Amis du Théâtre français* was officially launched in May. The mission of this volunteer group is to support and promote the outreach of the NAC's French Theatre Department.

This season has been one of great success and pride for the French Theatre. We received extraordinary recognition from the world's performing arts industry when we were nominated for numerous awards at the Soirée des Masques. To receive such heartfelt acknowledgement of our efforts is truly a testimonial to the excellence of our talented artists and supportive staff.

**JEAN-CLAUDE MAROUS**  
Artistic Advisor, French Theatre



Le Barbier de Séville



Un éléphant dans le coeur



Les Trois Derniers Jours de Fernando Pessoa

> **PRODUCING PARTNERS**

AS PART OF OUR NATIONAL MANDATE, WE REACH OUT TO ALL CANADIANS BY CO-PRODUCING WITH CANADIAN THEATRES ACROSS THE COUNTRY. Théâtre du Trident (Quebec), Ex-Machina (Quebec), Grand Théâtre de Québec (Quebec), Productions Jean-Bernard Hébert inc. (Montreal, Quebec), Palace de Granby (Granby), Théâtre du Rideau Vert (Montreal, Quebec), Théâtre du Nouveau Monde (Montreal, Quebec), Théâtre Denise-Pelletier (Montreal, Quebec), Théâtre Blanc (Quebec), Théâtre Les Trois Arcs (Montreal, Quebec) Michel Lemieux Victor Pilon Création



## ENGLISH THEATRE

*Igniting passion on the world's stage*

**1998-1999 WAS THE FIRST FULL SEASON I HAVE DESIGNED AS ARTISTIC DIRECTOR OF THE NAC ENGLISH THEATRE, AND IT WAS SUCCESSFUL IN EVERY ASPECT - ARTISTIC, AUDIENCE, CRITICAL AND FINANCIAL.**

Andrew Moodie, Derwin Jordan and Andrew Jason Wade in:



*A Common Man's Guide to Loving Women*

Five productions were presented on the Main Stage and three in the Studio, featuring some of this country's best creative talent. In keeping with the NAC's national mandate, we collaborated with many diverse Canadian theatres and theatre artists: season highlights included the return of the Stratford Festival to the NAC with *A Man For All Seasons*, the world premiere of *A Common Man's Guide to Loving Women* by award-winning Ottawa playwright Andrew Moodie, and the special 20th anniversary production of John Gray's *Billy Bishop Goes to War* in celebration of the NAC's 30th anniversary.

For young audiences, we presented a new initiative for family audiences during the holiday period: a production of *The Secret Garden* featuring Ottawa actors and students of the Ottawa School of Speech and Drama (celebrating its 10th anniversary). We continued our popular Family Series, the Canadian Improv Games, hosting students from across Canada, and our education program of student matinees and workshops in the schools.

Our commitment to the development of new Canadian plays continued with *On The Verge*, our annual festival of new play readings from across Canada; our partnership with the Great Canadian Theatre Company on the Ottawa Playwrights Unit; and several commissions and workshops, including George Elliott Clarke's *Whylah Falls* and Dickens' *Hard Times* adapted by Michael O'Brien, which will be premiered in the 1999/2000 season.

We were excited that audiences and critics alike had a positive reaction to the plays. Paid attendance was close to 78,000, making 1998-1999 one of our best-attended seasons this decade. Subscription sales were up over 12%, as were single ticket sales. In addition, our informal audience voting indicated that 94% of patrons rated our plays very good or excellent. We have enhanced our audiences' theatre experience by adding Pre-Show Chats, Subscriber Chats and Thursday Talkbacks to our popular ShopTalk events and our regular newsletter.

As in any theatre, this season was the result of the work of a dedicated and talented team of artists, production personnel and administrators, to all of whom I extend my sincere thanks.

**MARTI MARADEN**

Artistic Director, English Theatre

Douglas Rain and Benedict Campbell in:



*A Man for All Seasons*

As in any theatre, this season was the result of the work of a dedicated and talented team of artists, production personnel and administrators, to all of whom I extend my sincere thanks.

**MARTI MARADEN**

Artistic Director, English Theatre

**> PRODUCING PARTNERS**

AS PART OF OUR NATIONAL MANDATE, WE REACH OUT TO ALL CANADIANS BY CO-PRODUCING WITH CANADIAN THEATRES ACROSS THE COUNTRY. Beggarly Productions (Toronto, Ontario), The Canadian Improv Games, The Canadian Stage Company (Toronto, Ontario), The Citadel Theatre (Edmonton, Alberta), The Grand Theatre (London, Ontario), The Great Canadian Theatre Company (Ottawa, Ontario), Manitoba Theatre Centre (Winnipeg, Manitoba), The Ottawa

UP TO BOTTOM: GORDON KING CYLLA VON TIEDEMANN A. LANTHIER, DAVID COOPER

Laura Sadiq and Lorne Kennedy in:



*An Ideal Husband*



## DANCE AND VARIETY

*The human spirit in motion*

**DURING THE 1998-1999 SEASON, THE NAC DANCE DEPARTMENT, FAITHFUL TO ITS MISSION OF ENCOURAGING THE CREATION OF NEW WORKS AND MAKING DANCE KNOWN TO THE WIDEST POSSIBLE PUBLIC, OFFERED A PROGRAM OF SIXTEEN PRODUCTIONS GROUPED INTO FOUR SERIES.**

Each of the series had its own special flavour and put the spotlight on companies, choreographers and performers from Canada and abroad.

In the Classical Ballet Series, we presented three legendary works, including the revival of *Carmina Burana*, the magnificent stage cantata created by Fernand Nault for Les Grands Ballets Canadiens. It was the box office success of the series. Two new ballets were also on the program: *Dracula*, based on Bram Stoker's classic tale, designed by Mark Godden for the Royal Winnipeg Ballet, and a contemporary version of *Swan Lake*, created by James Kudelka for the National Ballet of Canada. Close to 18,400 people attended this series.

Series A was an opportunity for over 7,000 patrons to discover the cultural wealth of foreign dance companies such as Grupo Corpo of Brazil, Ballet Cristina Hoyos of Spain, the Trinity Irish Dance Company and the Bill T. Jones Company of the United States, all of whom have won plaudits from audiences and critics throughout the world.

In Series B, we co-produced and presented the North American premiere of *Salt/Exaucé*, the most recent creation by Édouard Lock for La La La Human Steps. We also co-produced and staged the Ottawa premiere of Marie Chouinard's *Les Solos 1978-1998*, a retrospective of the controversial works that are part and parcel of the history of modern dance in Montreal. To complement the artistic experience, we brought in Israel's Liat Dror Nir Ben Gal Company and Holland's Truus Bronkhorst and Marien Jongewaard, two other avant-garde companies known for their distinctive choreographic language. Overall, Series B attracted over 5,000 people.

In the ground-breaking Series C, we presented four rising young choreographers, including Montreal's Benoit Lachambre with *Délire défait*, a NAC co-production, and Winnipeg's Ruth Cansfield, who presented *Beat Speak*, another NAC co-production receiving its world premiere. The most innovative of our series attracted only 821 patrons.

In Variety programming, three productions were staged, including *Magic School Bus*, which was extraordinarily popular with its young audiences attracting 4,264 patrons. *Notre Dame de Paris*, the mega-production by Luc Plamondon and Richard Cocciante, starring Bruno Pelletier, Daniel Lavoie, Garou, Luck Mervil, Patrick Fiori, Nadia Bel and Julie Zanghi, was an unprecedented hit. The tickets, which went on sale nine months before the work reached the NAC, had all been purchased only a few hours after the box office opened. During its run, *Notre Dame de Paris* attracted 11,311 patrons.

The NAC also held a New Year's Eve Extravaganza at the Opera with the Denzal Sinclair - Bill Coon Project and guest artist Carol Welsman.

**MICHEL DOZOIS**

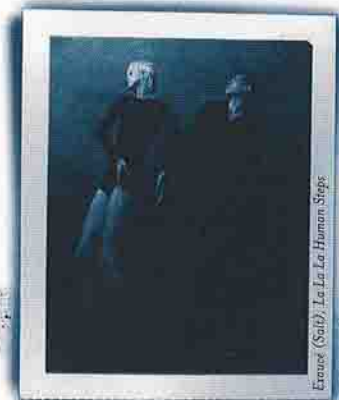
Producer, Dance and Variety

**JACK UDASHKIN**

Consultant-Producer, Dance



*Dracula* - Royal Winnipeg Ballet



*Exaucé (Salt)* - La La La Human Steps



*Notre Dame de Paris*



## MUSIC

*Sounds that nourish the soul*

1998-1999 WAS A SEASON OF EXCITING INITIATIVES AND PLANNING LEADING UP TO MY BECOMING MUSIC DIRECTOR OF THE NATIONAL ARTS CENTRE ORCHESTRA ON JULY 1, 1999. THE NAC ORCHESTRA PRESENTED ITS 30TH SEASON WHILE WE PREPARED FOR THE INTRODUCTION OF A NEW SUMMER PROGRAM, AN INCREASED FOCUS ON EDUCATION, AND THE FOLLOWING SEASON'S EXTENSIVE CROSS-CANADA OUTREACH.



Kathleen Battle

The number of subscribers increased by 9% for the regular season, which included the return to the NAC stage after prolonged absences of Radu Lupu, Murray Perahia and André Gagnon; the debuts of Dmitri Hvorostovsky, Wendy Nielsen, Paul McCreech and John Pizzarelli, and the return of Canadian artists Angela Hewitt, Anton Kuerti, Holly Cole, Joseph Rouleau, Kimberly Glasco, Cynthia Dale, Michael Schade, Russell Braun and Boris Brott.

The NAC celebrated the 30th anniversary of its opening with concerts featuring Conductor Laureate Mario Bernardi and guest soloist Itzhak Perlman. Principal Guest Conductor Franz-Paul Decker conducted five programs, highlighted by concerts commemorating the 100th anniversary of the death of Johann Strauss II and the 50th anniversary of the death of Richard Strauss.



Dmitri Hvorostovsky

Two initiatives for the summer season were the creation of the NAC Young Artists Program and the Great Composers Festival, which featured performances by Ben Heppner, Anton Kuerti, Janina Fialkowska, Isabel Bayrakdarian, and the National Youth Orchestra of Canada in a joint concert with the NAC Orchestra.

The NAC Young Artists Program brought young musicians from across Canada and abroad to play with the NAC Orchestra, to study in master classes with Martin Beaver, Pátinka Kopec and me, and to perform chamber music on the Opera stage.

Other important educational activities included Young People's Concerts (which were sold out on subscription), musicians in the schools, student matinees, master classes, and the second year of a residency of percussion ensemble NEXUS, produced in co-operation with the Canada Council for the Arts.



Pinchas Zukerman

The NAC Orchestra recorded two compact discs, including Vivaldi's Four Seasons in a co-production with CBC Records and Rhombus Media, and a disc of chamber music featuring Canadian musicians Joanna G'froerer, Martin Beaver, and Amanda Forsyth.

The Orchestra performed works by Canadian composers Peter Paul Koprowski and Harry Somers. A recording of music by Canadian composer Alexina Louie performed by the Orchestra with Conductor Laureate Mario Bernardi was released in April 1999.

This season, the Music Department set a number of new and innovative precedents. I have been pleased to experience the resounding success with which our efforts to expand our audiences and their musical experiences have been met. I look forward to another exciting season, as we continue to explore new ways to infuse Canadians with a love of music.

**PINCHAS ZUKERMAN**

*Music Director, National Arts Centre Orchestra*





## 1998-1999 AWARDS

### > 1998 GOVERNOR GENERAL'S PERFORMING ARTS AWARDS - NATIONAL ARTS CENTRE AWARD

The NAC Award recognizes an artist or company whose work is of an extraordinary nature and significance in the performing arts.



The 1998 National Arts Centre Award was given to Denis Marleau, founder and artistic director of Théâtre UBU in Montreal. National Arts Centre audiences have been fortunate to see several of Mr. Marleau's work, including *Oulipo Show* (1989), *Les Ubs* (1991), and two co-productions with the French Theatre Department of the National Arts Centre, *Maitres anciens* (1995) and *Le Passage de l'Indiana* (1997). Mr. Marleau was at the NAC in November 1998 with *Les Trois Derniers Jours de Fernando Pessoa*.

The Governor General's Performing Arts Awards Gala was held at the NAC in November 1998.

### > CAPACOA - NAC AWARD FOR DISTINGUISHED TOURING

At the annual general meeting of the Canadian Arts Presenting Association/Association canadienne des organismes artistiques (CAPACOA) held in Ottawa, the NAC presented its annual Award for Distinguished Contribution to Touring to David Haber.

Spanning several decades, Mr. Haber's extensive career has included positions with the World Festival Expo 1967, the National Arts Centre (1967-73), and the National Ballet of Canada (1973-75). In 1975, Mr. Haber founded David Haber Artists Management Inc. His current activities include serving as an advisor, consultant and evaluator to the National Endowment of the Arts (Washington, D.C.), Cultural Arts Council in Houston (Houston, Texas), Global Arts (New York, New York), Ontario Arts Council and the Canada Council for the Arts.

### > 1999 NATIONAL ARTS CENTRE ORCHESTRA BURSARY

The National Arts Centre Orchestra Bursary was created in 1979 by the members of the NAC Orchestra to commemorate the 10th anniversary of the founding of the Orchestra and to thank the people of the National Capital Region for their support during the Orchestra's first decade.

Erin Lesser  
Marie-Caroline Bourque

### > NEW SUN ORCHESTRAL STUDENT BURSARIES

The New Sun Orchestral Student Bursaries, created by the Community Foundation of Ottawa-Carleton in 1997, have been provided by an anonymous donor "to assist a favourite institute."

Elspeth Lacy  
Michael Fahie

### > NATIONAL ARTS CENTRE ORCHESTRA ASSOCIATION AWARD

The NAC Orchestra Association Award was created in 1993 to celebrate the Orchestra's 25th anniversary season.

Beth Sturdevant

### > LECAGNE-NACO PRIZE

The LeCaine-NACO Prize was created in 1987 by friends of Trudi LeCaine to honour her many years of dedicated support for music and the arts in the National Capital Region.

Liana Bérubé

### > FRENCH THEATRE

The season for the French Theatre reached its culmination at the Soirée des Masques awards ceremony, with 23 nominations (17 as co-producer). *Don Quichotte*, a co-production with the Théâtre du Nouveau Monde, was the major winner in the "Montreal production" category. This production also won the *Le Droit* "Prix du Public", an award voted on by audiences and received by the NAC French Theatre for a second consecutive year. Part of the Grands-Galops series, *Le Porteur* won 3 Masques.

Another honour for the French Theatre was the presentation to Jean-Claude Marcus by the French Ambassador to Canada of the insignia of Knight of France's Order of Arts and Letters

### > DANCE

The Artistic Director of the Compagnie par B.L.eux, Benoît Lachambre, is the co-laureat of the 1998 Canada Council for the Arts Jacqueline Lemieux Prize for his solo work *Délire Défait*, co-produced with the NAC.

### > LE CAFÉ

In March 1999, Executive Chef Kurt Waldele won a silver medal in the Hot Seafood category at an international culinary competition held in Scotland.



## 1998-1999 FUNDRAISING

### > FUNDRAISING

1998-1999 was an exceptional year for fundraising at the NAC, which could not have been accomplished without the loyal support and dedication of our many volunteers, donors and corporate partners.

The highlight for the year was without a doubt the "Challenge Campaign". On January 22, 1999, Mr. Grant Burton, President of Starcan Corporation of Toronto, generously donated \$400,000 to the National Arts Centre and pledged an additional gift of \$400,000 if the NAC could raise at least \$800,000 in new money before March 31, 1999. The two-month Campaign organized by Chair, Jean-Thérèse Riley and Interim Director and CEO Elaine Calder, exceeded this goal by raising over \$2,000,000, thanks to the outstanding generosity of Michael Potter, Newbridge Networks Corporation, Borden Elliot Scott & Ayles, The Ottawa Citizen / The National Post, Anton Kuerti and hundreds of individuals and corporations from across the country. We are deeply grateful for the support of all our friends and partners who have ensured that we not only met, but exceeded, Grant Burton's challenge.

In October of 1998, the NAC held its second annual fundraising Gala starring Kathleen Battle and the NAC Orchestra with Conductor Laureate, Mario Bernardi. We raised over \$130,000 and attracted a wide variety of major corporations and individuals.

The equally successful National Arts Centre and Opera Lyra Ottawa second annual joint fundraiser, the Black and White Opera Soiree featuring an array of opera stars, raised \$145,000 for the NAC Orchestra and Opera Lyra Ottawa.

The NAC extends heartfelt thanks to the many members of our Patrons' Circle membership program. With a current base of over 4,000, our "family" is showing dramatic growth from year to year, testimony to the enthusiastic support of our community.

With such a successful year behind, we are looking towards a bright future "meeting of the minds" with more friends and partners. The NAC Orchestra's national tour provides the opportunity to engage corporations and individuals from coast to coast and plans are underway for a national fundraising campaign.

## 1998-1999 OPERATIONS

### > PARKING

The parking facility at the National Arts Centre has 950 spaces, 780 of which are used by monthly pass-holders and the remainder by day users. The NAC is pleased to confirm that the monthly rentals are full. Net revenues for the parking department in 1998-1999 amounted to \$1.85 million.

### > RENOVATIONS

**OPERA LIFTS** - The replacement of the thirty-year-old Opera Stage lifts was successfully completed at a cost of \$1.1 million, funded by a one-time grant from the Treasury Board. The Opera Stage lifts are used for numerous functions. The renovations, which were recommended by an engineering report and were required for the safety of performers and patrons, involved replacing the original lifts operated by hydraulic systems with state-of-the-art technology.

**VENTILATION SYSTEMS** - The efficiency of the ventilation system was improved by installing variable speed drives. Upgrades to the instrumentation equipment were finalized to maximize energy efficiency and ensure cost reductions. Renovations were completed at a cost of \$90,000 as part of the NAC maintenance budget.

### > Y2K PROJECT

The NAC launched its Y2K compliance project in September 1997. In August 1999, 98% of the project was completed and the remaining tasks - the implementation of solutions - was completed before October 31, 1999.

In the past 24 months all NAC computer software and hardware critical to the operation of the NAC information technology infrastructure, computer desktops and facility/commercial/stage management system have been rendered Y2K compliant and tested. A Y2K contingency plan was completed and submitted to the Senior Advisor, Minister's Portfolio, Department of Canadian Heritage on July 28, 1999.

### > RESTAURANTS AND CATERING

**LE CAFÉ** - Le Café, overlooking the Rideau Canal, seats 170 indoors and 140 on the canopied terrace during the summer months. Le Café is well known for its high quality cuisine. In 1998-1999, expenses totalled \$2.3 million while revenues reached \$2.66 million.

Le Café participates in a number of local events including Winterlude and, as part of the bus tour business from May to mid-October, Le Café receives approximately 12,000 international guests. Plans for renovations are currently being reviewed to create a more up-to-date, intimate atmosphere. A marketing campaign and special opening event will be designed around the new image.

**CATERING** - The Catering department enjoys a reputation for its high quality of food and service on and off the NAC premises. Executive Chef Kurt Waldele's reputation for excellence and use of Canadian products is well known.

The department has been honored to serve artists, royalty, Heads of State, and numerous high profile events, such as:

- > state dinners hosted by the Prime Minister's Office, including those for the President of Burkina Faso, the President of the Republic of Colombia, the Premier of the People's Republic of China, the Prime Minister of the French Republic, the President of Peru, and the President of Romania
- > Fourth of July celebrations for the Embassy of the United States, the biggest party hosted in Ottawa (4,500 guests)

The Catering department organized two events to raise awareness of the NAC and our department:

- > A cooking demonstration organized in March 1999 raised \$5,000 for the NAC Challenge Fund.
- > An Open House in February 1999 celebrated the NAC's 30th anniversary by offering guests an opportunity to sample re-creations of dishes served by the NAC to royalty and heads of state.



**MANAGEMENT REPORT****1998-99 WAS A YEAR OF INCREDIBLE CHANGE - ON ALL FRONTS - IN LEADERSHIP,  
MANAGEMENT, LABOUR RELATIONS AND FINANCES.**

In October, John Crompton, Director and CEO, left the NAC after a disagreement with the Board about management practices. The Board moved quickly and appointed Elaine Calder as Interim Director and CEO in November.

Shortly after she arrived, Ms. Calder and the Board negotiated a 3-year contract with the American Federation of Musicians (AFM), representing the musicians of the National Arts Centre Orchestra, following a brief labour disruption. Management later negotiated a 5-year contract with security employees, represented by the Public Service Alliance of Canada (PSAC).

The beginning of 1999 proved to be one of the most challenging periods in the Centre's history. Alexei Yashin, the captain of the Ottawa Senators, who had pledged a \$1 million donation in 1997/98, decided to cancel the remaining payments after his first instalment of \$200,000. Public reaction was intense and focused on the NAC's management and fundraising practices. The Interim Director and Board of Trustees appeared before the Standing Committee on Canadian Heritage to address these issues in February.

The tide turned for the National Arts Centre following the Centre's appearance before the Standing Committee. The public debate stirred a vigorous response from supporters of the NAC. Initiated by a major gift from Toronto businessman Grant Burton, the Challenge Fund campaign raised over \$2 million in 9 weeks. Canadians from British Columbia to Newfoundland responded with incredible generosity, communicating their strong support for the NAC. At the end of the fundraising campaign, the Chair of the Board of Trustees, Jean Thérèse Riley, who had been instrumental in the campaign's success, retired from the Board.

In the winter, the Board set up a Search Committee to recruit a permanent Director General and CEO.

Later in the spring, Elaine Calder advised the Board that she would be stepping down in June to accept a position as Managing Director of the Hartford Stage in Hartford, Connecticut.

In May, a distinguished businessman and educator, David S.R. Leighton, was appointed Chair of the Board of Trustees. Mr. Leighton and Elaine Calder were able to report on the implementation of the Auditor General's Office recommendations at the Standing Committee on Canadian Heritage in June 1999.

Finally, in July, the NAC announced the appointment of Peter A. Herrndorf, the former Chairman and CEO of TV Ontario, as the new NAC's Director General and CEO. Mr. Herrndorf assumed office at the beginning of September.



## FROM THE DIRECTOR GENERAL AND CHIEF EXECUTIVE OFFICER

**DEAR FRIENDS,**

I am delighted to have the opportunity to work at one of the great performing arts centres in the world and to work with an outstanding artistic team. The NAC is Canada's national stage, playing host to thousands of Canadian artists and millions of patrons over the past thirty years. As we celebrate 30 years of artistic excellence, the challenge is to build on the foundations established by Hamilton Southam and his successors.

My immediate goal as Director General and CEO is to reaffirm and reposition the NAC in the minds of Canadians. I'd like Canadians, from St. John's to Chicoutimi, from Thunder Bay to Nanaimo not only to know about the NAC, but to be proud of *their* national arts centre. The recent 1999 Canada Tour of the National Arts Centre Orchestra is the first of many steps we're taking to connect the NAC with Canadians from coast to coast.

In order to accomplish our goals, we'll need to draw on the talent and resources of everyone involved with the NAC - our artists, our employees, our patrons, and our supporters. As part of the Centre's strategic plan for the next few years, we'll be taking a number of initiatives to enhance the quality of the work on our stages, to increase significantly our earned revenue, and to focus our communications and marketing efforts on building a strong national identity.

I'm proud of what this organization has accomplished over the past thirty years, and I'm looking forward to an even stronger and more creative organization in the new millennium.

**PETER A. HERRNDORF O.C.***Director General and Chief Executive Officer*



## BOARD OF TRUSTEES

## THE BOARD OF TRUSTEES 1998-1999

In accordance with the National Arts Centre Act, the Board of Trustees is responsible for the management of the Corporation. The Board consists of ten members, including the Chair.

**JEAN THÉRÈSE RILEY**

(term ended April 7, 1999)  
*Chair*  
 TORONTO, ONTARIO  
 1\*, 2, 3, 4

**DAVID S. R. LEIGHTON**

(term started May 3, 1999)  
*Chair*  
 LONDON, ONTARIO  
 1\*, 2, 3, 4

**DAVID H. HILL, Q.C.**

*Vice-Chair*  
 Perley-Robertson, Hill & McDougall,  
 Barristers  
 OTTAWA, ONTARIO  
 1, 2, 4

**MARIANNE PERRY**

(term ended September 25, 1998)  
 SAULT STE MARIE, ONTARIO  
 4\*

**ANDREW D. M. OGARANKO, Q.C.**

Pitblado-Buchwald-Asper  
 Barristers and Attorneys-at-law  
 WINNIPEG, MANITOBA  
 1, 2\*

**ROSEMARIE LANDRY, C.M.**

Music Department, University of Montreal  
 MONTREAL, QUEBEC  
 1

**CAROLE McDOUGALL**

Metro United Way  
 HALIFAX, NOVA SCOTIA

**ROYCE FRITH, Q.C.**

(term started September 14, 1998)  
 Ladner Downs, Barristers & Solicitors  
 VANCOUVER, BRITISH COLUMBIA

**ROBERTO MARTELLA**

(term started September 28, 1998)  
 TORONTO, ONTARIO  
 2

**LOUISE B. VAILLANCOURT, C.M.**

(term started September 28, 1998)  
 OUTREMONT, QUEBEC  
 3\*

**JIM WATSON** (*ex officio*)

Mayor  
 OTTAWA, ONTARIO  
 3

**YVES DUCHARME** (*ex officio*)

Mayor  
 HULL, QUEBEC  
 3

## COMMITTEES OF THE BOARD

1 EXECUTIVE COMMITTEE 2 FINANCE COMMITTEE 3 AUDIT COMMITTEE  
 4 NOMINATING AND BY-LAWS COMMITTEE \* COMMITTEE CHAIR



## ATTENDANCE STATISTICS

1998-1999 &amp; 1997-1998

	No. of Performances	No. of Performances	Capacity	Capacity	Paid Attendance	Paid Attendance	Percentage	Percentage	Ticket Sale Revenues	Ticket Sale Revenues
	1998-99	1997-98	1998-99	1997-98	1998-99	1997-98	1998-99	1997-98	1998-99	1997-98
<b>&gt; MUSIC</b>										
Music excl. Y & E <sup>1</sup>	78	73	151,836	141,360	108,810	93,227	72%	66%	3,080,313	2,713,973
Youth & Education	9	7	19,222	14,930	17,341	12,832	90%	86%	142,339	108,885
<b>Total Music</b>	<b>87</b>	<b>80</b>	<b>171,058</b>	<b>156,290</b>	<b>126,151</b>	<b>106,059</b>	<b>74%</b>	<b>68%</b>	<b>3,222,652</b>	<b>2,822,858</b>
<b>&gt; ENGLISH THEATRE</b>										
English excl Y & E	149	132	95,199	85,927	67,328	53,854	71%	63%	1,601,096	1,277,275
Youth & Education	40	36	12,176	13,351	10,632	10,180	87%	76%	84,252	80,229
<b>Total English</b>	<b>189</b>	<b>168</b>	<b>107,375</b>	<b>99,278</b>	<b>77,960</b>	<b>64,034</b>	<b>73%</b>	<b>64%</b>	<b>1,685,348</b>	<b>1,357,504</b>
Co-Productions	129	135	55,759	98,177	33,222	58,013	60%	59%	n/a	n/a
<b>&gt; FRENCH THEATRE</b>										
French excl. Y & E	72	56	29,354	24,995	22,469	18,115	77%	72%	496,147	373,012
Youth & Education	82	74	25,967	21,807	22,040	18,403	85%	84%	152,100	127,523
<b>Total French</b>	<b>154</b>	<b>130</b>	<b>55,321</b>	<b>46,802</b>	<b>44,509</b>	<b>36,518</b>	<b>80%</b>	<b>78%</b>	<b>648,247</b>	<b>500,535</b>
Co-Productions	330	383	146,503	137,714	120,988	117,759	83%	86%	n/a	n/a
<b>&gt; DANCE &amp; VARIETY</b>										
Dance & V excl. Y & E	58	45	90,228	64,547	66,589	45,329	74%	70%	2,444,687	1,484,165
Youth & Education	2	3	4,054	4,311	2,038	2,972	50%	69%	18,600	24,344
<b>Total Dance &amp; Variety</b>	<b>60</b>	<b>48</b>	<b>94,282</b>	<b>68,858</b>	<b>68,627</b>	<b>48,301</b>	<b>73%</b>	<b>70%</b>	<b>2,463,287</b>	<b>1,508,509</b>
<b>&gt; RENTALS</b>										
<b>Total Rentals</b>	<b>117</b>	<b>149</b>	<b>209,143</b>	<b>310,070</b>	<b>155,485</b>	<b>192,821</b>	<b>74%</b>	<b>62%</b>	<b>768,871</b>	<b>998,353</b>
* Note: Net Revenue for Rentals instead of ticket sales										
<b>&gt; GALAS</b>										
<b>Total Galas</b>	<b>2</b>	<b>2</b>	<b>4,266</b>	<b>4,294</b>	<b>3,596</b>	<b>3,994</b>	<b>84%</b>	<b>93%</b>	<b>261,843</b>	<b>283,627</b>
* Note: Does not include donation portion of ticket										
<b>&gt; FESTIVAL CANADA</b>										
<b>Total Festival Canada</b>	<b>—</b>	<b>92</b>	<b>—</b>	<b>74,594</b>	<b>—</b>	<b>36,099</b>	<b>—</b>	<b>48%</b>	<b>—</b>	<b>854,520</b>

1. Y &amp; E = Youth and Education





## MANAGEMENT RESPONSIBILITIES

The Board of Trustees, which is responsible for, among other things, the financial statements of the Corporation, delegates to Management the responsibility for the preparation of the financial statements and the annual report. Responsibility for their review is that of the Audit Committee of the Board of Trustees. The financial statements were prepared by Management in accordance with generally accepted accounting principles and include estimates based on Management's experience and judgement. The financial statements have been approved by the Board of Trustees on the recommendation of the Audit Committee. Other financial and operating information appearing in this annual report is consistent with that contained in the financial statements.

Management maintains books and records, financial and management control and information systems designed in such a manner as to provide reasonable assurance that reliable and accurate information is produced on a timely basis and that transactions are in accordance with the *National Arts Centre Act* and by-laws of the Corporation.

The Board of Trustees of the Corporation is responsible for ensuring that Management fulfils its responsibilities for financial reporting and internal control, and exercises this responsibility through the Audit Committee. The Audit Committee discharges the responsibilities conferred upon it by the Board of Trustees, and meets on a regular basis with Management, and with the Auditor General of Canada, who has unrestricted access to the Committee.

The Auditor General of Canada conducts an independent audit of the financial statements of the Corporation in accordance with generally accepted auditing standards and reports on the results of that audit to the Chair of the Board of Trustees of the National Arts Centre Corporation on an annual basis.

**PETER A. HERRNDORF, O.C.**

*Director General and Chief Executive Officer*

**DANIEL SENYK, CA**

*Corporate Comptroller*

OCTOBER 22, 1999





AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

**AUDITOR'S REPORT****TO THE CHAIR OF THE BOARD OF TRUSTEES OF THE  
NATIONAL ARTS CENTRE CORPORATION**

I have audited the balance sheet of the National Arts Centre Corporation as at August 31, 1999 and the statements of operations, equity and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at August 31, 1999 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

A handwritten signature in cursive script, appearing to read 'R. Flageole'.

**RICHARD FLAGEOLE, FCA***Assistant Auditor General for the Auditor General of Canada***OTTAWA, CANADA, OCTOBER 22, 1999**

**BALANCE SHEET**

As at August 31, 1999

	1999	1998
<b>Assets</b>		
<i>Current</i>		
Cash and short-term investments including Challenge Fund — NOTE 3 & 10	\$ 9,354,906	\$ 4,115,569
Accounts receivable	1,533,014	2,874,919
Restricted cash and investments — NOTE 4	146,932	128,243
Parliamentary appropriation receivable	—	195,686
Inventories	263,174	284,041
Programmes in progress	1,428,542	1,551,388
Prepaid expenses	173,211	200,828
	<b>12,899,779</b>	<b>9,350,674</b>
Contributions receivable — NOTE 5	205,000	800,000
Capital assets — NOTE 6	6,819,273	7,664,998
	<b>\$ 19,924,052</b>	<b>\$ 17,815,672</b>
<b>Liabilities</b>		
<i>Current</i>		
Accounts payable and accrued liabilities	\$ 4,026,237	\$ 4,964,673
Deferred revenue	7,000,927	4,825,379
	<b>11,027,164</b>	<b>9,790,052</b>
Deferred contributions — NOTE 7	512,202	894,968
Deferred capital funding — NOTE 8	6,819,273	7,664,998
Long-term portion of provision for employee termination benefits	1,149,980	1,096,412
	<b>19,508,619</b>	<b>19,446,430</b>
Endowment Fund — NOTE 9	33,275	33,275
<b>Equity of Canada</b>		
Accumulated surplus (deficit)	382,158	(1,664,033)
Contingencies and commitments — NOTE 12 & 13		
	<b>\$ 19,924,052</b>	<b>\$ 17,815,672</b>

The accompanying notes and schedules form an integral part of the financial statements.

Approved by the Board of Trustees:

*David S. B. Leighton*

Chair

*Louise McNeill*

Chair of the Audit Committee

Approved by Management:

*Peter H. ...*

Director General and Chief Executive Officer

*D. Singh*

Corporate Comptroller



**STATEMENT OF OPERATIONS**

For the year ended August 31, 1999

	1999	1998
<b>Revenues</b>		
Commercial operations — SCHEDULE 1	\$ 9,882,331	\$ 10,722,136
Programming — SCHEDULE 2	9,725,576	8,530,519
Fundraising including Challenge Fund — NOTE 10	2,846,854	1,398,366
Facility fees	591,788	601,567
Investments and other	400,663	302,332
	<b>23,447,212</b>	<b>21,554,920</b>
<b>Expenses</b>		
Commercial operations — SCHEDULE 1	6,849,658	7,624,568
Programming — SCHEDULE 2	20,365,660	20,955,184
Fundraising and development including Challenge Fund — NOTE 10	966,837	886,696
Building operations	9,918,236	10,619,019
Administration	4,634,402	3,370,087
Information technology	1,533,864	1,452,386
	<b>44,268,657</b>	<b>44,907,940</b>
Results of operations before government funding	<b>(20,821,445)</b>	<b>(23,353,020)</b>
Parliamentary appropriation for operating expenditures	20,486,012	18,152,820
Amortization of deferred capital funding — NOTE 8	2,381,624	2,144,771
	<b>22,867,636</b>	<b>20,297,591</b>
<b>Net results of operations</b>	<b>\$ 2,046,191</b>	<b>\$ (3,055,429)</b>

The accompanying notes and schedules form an integral part of the financial statements.

**STATEMENT OF EQUITY**

For the year ended August 31, 1999

	1999	1998
Balance at beginning of year	\$ (1,664,033)	\$ 1,391,396
Net results of operations	2,046,191	(3,055,429)
Balance at end of year	<b>\$ 382,158</b>	<b>\$ (1,664,033)</b>

The accompanying notes and schedules form an integral part of the financial statements.

**STATEMENT OF CASH FLOWS***For the year ended August 31, 1999*

	1999	1998
<b>Operating activities</b>		
Net results of operations	\$ 2,046,191	\$ (3,055,429)
Items not affecting cash and investments:		
Amortization	2,381,624	2,144,771
	4,427,815	(910,658)
Changes in non-cash operating assets and liabilities	2,946,033	559,579
Changes in contributions receivable	595,000	(800,000)
Changes in deferred contributions	(382,766)	796,481
Changes in deferred capital funding	(845,725)	(108,307)
Changes in long-term portion of provision for employee termination benefits	53,568	103,788
Cash flows from operating activities	6,793,925	(359,117)
<b>Investing activities</b>		
Additions to capital assets	(1,535,899)	(2,036,464)
Restricted cash and investments	(18,689)	3,519
Cash flows from investing activities	(1,554,588)	(2,032,945)
<b>Increase (decrease) in cash position</b>	<b>5,239,337</b>	<b>(2,392,062)</b>
<b>Cash position at beginning of year</b>	<b>4,115,569</b>	<b>6,507,631</b>
<b>Cash position at end of year</b>	<b>\$ 9,354,906</b>	<b>\$ 4,115,569</b>
Composed of:		
Cash and short-term investments	\$ 7,641,116	\$ 4,115,569
Challenge fund	1,713,790	—
	<b>\$ 9,354,906</b>	<b>\$ 4,115,569</b>

*The accompanying notes and schedules form an integral part of the financial statements.*



## NOTES TO FINANCIAL STATEMENTS

August 31, 1999

### 1. AUTHORITY, OBJECTIVES AND OPERATIONS

The National Arts Centre Corporation (the "Corporation" or the "Centre") was established in 1969 pursuant to the *National Arts Centre Act* and is not subject to the provisions of the Income Tax Act. Pursuant to Section 85 (1) of Part X of the *Financial Administration Act*, Divisions I to IV of Part X do not apply to the Corporation.

The objectives of the Corporation are to operate and maintain the National Arts Centre, to develop the performing arts in the National Capital Region, and to assist the Canada Council in the development of the performing arts elsewhere in Canada.

In furtherance of its objectives, the Corporation may arrange for and sponsor performing arts activities at the Centre; encourage and assist in the development of performing arts companies resident at the Centre; arrange for or sponsor radio and television broadcasts and the showing of films in the Centre; provide accommodation at the Centre, on such terms and conditions as the Corporation may fix, for national and local organizations whose objectives include the development and encouragement of the performing arts in Canada; and, at the request of the Government of Canada or the Canada Council, arrange for performances elsewhere in Canada by performing arts companies, whether resident or non-resident in Canada, and arrange for performances outside Canada by performing arts companies resident in Canada.

With a view to achieving the objectives, the Government of Canada has leased without charge the National Arts Centre building complex to the Corporation. The lease is being renewed on a yearly basis. The Corporation is responsible for the operation and maintenance of the building.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Short-term and restricted investments

Short-term and restricted investments are valued at the lower of cost and market value.

#### (b) Parliamentary appropriation

The Government of Canada provides funding to the Corporation. The portion of the Parliamentary appropriation used to purchase depreciable capital assets is recorded as deferred capital funding and amortized on the same basis and over the same periods as the related capital assets. The remaining portion of the appropriation is recorded on the statement of operations.

The parliamentary appropriation approved for the period from April 1 to August 31, is in respect of the Government of Canada's fiscal year ending on March 31 of the following year. Accordingly, the portion of the amount received to August 31, which is in excess of 5/12<sup>th</sup> of the appropriation, is deferred to the following year. Similarly, the portion of the amount received to August 31, which is less than 5/12<sup>th</sup> of the appropriation, is recorded as a receivable.

The difference between the parliamentary appropriation received for payments in lieu of taxes to municipalities and other taxing authorities and the related expense for the year is recorded as either a deferred credit or an account receivable as appropriate.

#### (c) Inventories

Inventories are valued at cost for restaurant supplies, food and beverages.

#### (d) Programs in progress

Direct costs, including advances to performing companies and artists related to programs (shows) that will be held after year-end, are deferred, and are charged to expenses in the year in which the programs take place.

#### (e) Capital assets

Capital assets are recorded at cost net of accumulated amortization. Amortization is calculated using the straight-line method, over the estimated useful lives of the assets as follows:

Equipment	2 to 10 years
Computer software and hardware	3 to 5 years
Leasehold improvements	10 years

#### (f) Deferred revenue

Funds received in return for future services are deferred. Revenue is recognized in the year that the services are provided.



(g) *Contributions*

The Corporation follows the deferral method of accounting for contributions.

Contributions externally restricted, and related investment income, are deferred and recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received.

Donations in kind are recorded at estimated fair market value when they are received.

Volunteers contribute a significant number of hours per year. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

(h) *Employee termination benefits*

Employees of the Corporation are entitled to specified benefits on termination as provided for under their respective contracts and conditions of employment. The liability for these benefits is recorded as the benefits accrue to the employees.

(i) *Operating expenses*

Expenses relating to commercial operations and programming do not include costs relating to building and equipment maintenance, and administrative services.

(j) *Pension plan*

Employees of the Corporation participate in the Public Service Superannuation Plan, administered by the Government of Canada. Contributions to the Plan are required by both the employees and the Corporation on an equal basis. The Corporation's contributions represent the total pension obligation of the Corporation. Contributions in respect of current service are expensed during the year in which service is rendered.

The Corporation is not required under present legislation to make contributions with respect to employees for actuarial deficiencies of the Public Service Superannuation Account.

### 3. CASH AND SHORT-TERM INVESTMENTS

The Corporation's policy is to invest temporary excess cash in short-term deposit certificates, bonds, and commercial paper with Canadian financial institutions. As at August 31, 1999, cash and short-term investments include bonds and commercial paper of \$8,583,326 (\$1,096,794 in 1998). The average yield of the portfolio was 4.80% for the year ended August 31, 1999 (4.25% in 1998). The fair value of short-term investments approximates the book value due to their impending maturity.

### 4. RESTRICTED CASH AND INVESTMENTS

Restricted cash and investments arise from contributions received from individuals and corporate entities for a specified purpose.

### 5. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent corporate sponsorships and donation pledges for future years. Pledges equal to \$145,000 are to be received in the next year with equal payments of \$20,000 to be received in each of the subsequent three years. The fair value of contributions receivable is approximately \$191,000.

The prior year's contribution receivable from the Alexei Yashin Foundation was written off as the pledge was withdrawn by the donor.

### 6. CAPITAL ASSETS

	1999			1998
	Cost	Accumulated amortization	Net book value	Net book value
Equipment	\$ 6,070,680	\$ 4,490,884	\$ 1,579,796	\$ 1,286,526
Computer software and hardware	4,457,392	2,914,598	1,542,794	1,525,749
Leasehold improvements	27,131,699	23,435,016	3,696,683	4,852,723
	\$ 37,659,771	\$ 30,840,498	\$ 6,819,273	\$ 7,664,998





## 7. DEFERRED CONTRIBUTIONS

	1999	1998
Challenge Fund (Note 10)	\$ 349,384	\$ —
Pledge from Alexei Yashin Foundation	—	800,000
National Arts Centre Orchestra Trust Fund	33,166	30,567
National Arts Centre Orchestra Tour Fund	80,490	63,964
Piano Fund	49,162	—
Trudi LeCaine Fund	—	437
	<b>\$ 512,202</b>	<b>\$ 894,968</b>

Changes in the deferred contributions balance are as follows:

	1999	1998
Balance at beginning of year	\$ 894,968	\$ 98,487
Interest income	7,034	6,454
Donations	417,700	800,527
Amount withdrawn	(800,000)	—
Amount recognized as revenue on the statement of operations	(7,500)	(10,500)
Balance at end of year	<b>\$ 512,202</b>	<b>\$ 894,968</b>

## 8. DEFERRED CAPITAL FUNDING

Deferred capital funding represents the unamortized portion of parliamentary appropriations used to purchase depreciable capital assets.

Changes in the deferred capital funding balance are as follows:

	1999	1998
Balance at beginning of year	\$ 7,664,998	\$ 7,773,305
Appropriations used to purchase depreciable capital assets	1,535,899	2,036,464
Amortization	(2,381,624)	(2,144,771)
Balance at end of year	<b>\$ 6,819,273</b>	<b>\$ 7,664,998</b>

## 9. ENDOWMENT FUND

The initial capital of \$33,275 for National Arts Centre Orchestra Trust Fund is subject to an externally imposed restriction stipulating that the original capital be maintained permanently. Interest earned during year of \$1,775 (1998 — \$1,664) is included in deferred contributions.

## 10. CHALLENGE FUND

During the year, in addition to regular fundraising activities, a special fundraising campaign entitled the Challenge Fund, was undertaken. Information related to this campaign is as follows:

Total funds raised during the campaign	\$ 2,161,046
Total direct campaign expenses	(212,186)
Net result of the campaign	<b>\$ 1,948,860</b>

Total funds raised, except for deferred contributions as described in Note 7, are included in fundraising revenues for the year. The net result of the campaign, except for contributions receivable as described in Note 5, are, for the most part, included in cash and short-term investments.



#### 11. RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations. The Corporation enters transactions with these entities in the normal course of business.

#### 12. CONTINGENCIES

The Corporation is the claimant or defendant in certain pending claims and lawsuits. In management's opinion, the outcome of these actions is not likely to result in any material liabilities.

#### 13. COMMITMENTS

As at August 31, 1999, there remains \$3,867,000 to be paid pursuant to agreements for information technology and telephony services. The future minimum payments are as follows:

	<i>(in thousands of dollars)</i>
1999 — 00	963
2000 — 01	972
2001 — 02	1,019
2002 — 03	898
2003 — 04	15

#### 14. UNCERTAINTY DUE TO THE YEAR 2000

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems that use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 Issue may be experienced before, on or after 1 January 2000 and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure which could affect an entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the Corporation, including those related to the efforts of customers, suppliers or other third parties, will be fully resolved.

#### 15. COMPARATIVE FIGURES

Certain figures for 1998 have been reclassified to conform to the presentation adopted this year.



**SCHEDULE I — SCHEDULE OF REVENUES AND EXPENSES***Commercial Operations for the year ended August 31, 1999*

1999	Revenues	Expenses	Net
Restaurants	\$ 5,774,912	\$ 5,364,915	\$ 409,997
Parking Services	2,339,806	486,001	1,853,805
Rental of Halls	1,767,613	998,742	768,871
	\$ 9,882,331	\$ 6,849,658	\$ 3,032,673

1998	Revenues	Expenses	Net
Restaurants	\$ 6,262,199	\$ 5,874,904	\$ 387,295
Parking Services	2,194,564	482,644	1,711,920
Rental of Halls	2,265,373	1,267,020	998,353
	\$ 10,722,136	\$ 7,624,568	\$ 3,097,568

**SCHEDULE II — SCHEDULE OF REVENUES AND EXPENSES***Programming for the year ended August 31, 1999*

	1999	1998
<b>Revenues</b>		
Music	\$ 3,225,014	\$ 2,885,039
English Theatre	1,632,790	1,324,466
French Theatre	540,265	422,703
Dance	1,374,407	1,148,884
Festival Canada	—	856,930
Variety, Touring & Other	1,909,380	1,434,783
Youth & Education	322,102	260,138
Community Programming	431,237	19,420
Programming Support	290,381	178,156
	9,725,576	8,530,519
<b>Expenses</b>		
Music	6,901,249	5,777,406
English Theatre	2,457,828	2,368,156
French Theatre	1,459,207	1,348,311
Dance	2,033,835	2,239,858
Festival Canada	—	2,683,270
Variety, Touring & Other	2,410,161	2,144,971
Youth & Education	575,870	492,780
Community Programming	909,425	441,779
Programming Support	3,618,085	3,458,653
	20,365,660	20,955,184
<b>Excess of expenses over revenues</b>	<b>\$ 10,640,084</b>	<b>\$ 12,424,665</b>



### SCHEDULE III — SCHEDULE OF EXPENSES BY TYPE

For the year ended August 31, 1999

	1999	1998
Salaries and benefits	\$ 14,405,666	\$ 14,803,681
Artistic fees	7,252,472	7,038,630
Payments in lieu of taxes	4,245,000	4,246,814
National Arts Centre Orchestra fees	3,430,809	3,224,289
Contract fees	2,758,437	1,936,047
Amortization	2,381,624	2,144,771
Cost of sales	1,930,477	2,102,053
Advertising	1,916,012	2,962,086
Utilities	1,293,862	1,348,652
Maintenance and repairs	1,104,686	1,251,590
Financial charges	531,607	485,056
Promotion	521,140	504,726
Office expenses	377,442	507,772
Production	321,702	572,302
Professional fees	273,985	260,570
Supplies	257,105	284,326
In-kind contributions of goods and services	197,609	149,459
Telecommunications	195,571	181,327
Staff travel	194,415	256,275
Miscellaneous	182,367	239,443
Equipment	154,692	118,257
Board expenses	110,297	98,257
Insurance	87,013	75,121
Education and training	81,231	48,053
Rental of facilities	63,436	68,383
	<b>\$ 44,268,657</b>	<b>\$ 44,907,940</b>





**1999 INSTITUTIONAL**  
NATIONAL ARTS CENTRE CORPORATION

> EXECUTIVE

**PETER A. HERRNDORF, O.C.**  
*Director General and Chief Executive Officer*

**BERNARD GENESTE**  
*Senior Director, Corporate Services and  
Corporate Secretary*

**GILLES LANDRY**  
*Senior Director, Operations*

**CATHERINE KOPROWSKI**  
*Acting Senior Director, Development*

> ARTISTIC DIRECTION

**PINCHAS ZUKERMAN**  
*Music Director*

**MARIO BERNARDI, C.C.**  
*Conductor Laureate*

**MARTI MARADEN**  
*Artistic Director, English Theatre*

**JEAN-CLAUDE MARCUS**  
*Artistic Advisor, French Theatre*

**MICHEL DOZOIS**  
*Producer, Dance & Special Events*

**JACK UDASHKIN**  
*Consultant-Producer, Dance*

**ALEX GAZALÉ**  
*Production Director*

> ADMINISTRATION

**ROBERT ASSELIN**  
*Director, Patron Services*

**KELLY ANN BEATON**  
*Director, Communications*

**CHRISTOPHER DEACON**  
*Managing Director, NAC Orchestra*

**FERNAND DÉRY**  
*Administrator, French Theatre*

**ASHOK DHAWAN**  
*Director, Restaurants & Catering*

**GERRY GRACE**  
*Archivist*

**HEATHER MOORE**  
*Director, Marketing*

**DANIEL SENYK**  
*Corporate Comptroller*

**VICTORIA STEELE**  
*Administrator, English Theatre*

**RICHARD TREMBLAY**  
*Director, Administrative Services*

**SOPHIA TROTTIER**  
*Director, Human Resources*

**KURT WALDELE**  
*Executive Chef*

**SIMONE DENEAU**  
*Assistant Director, Hall Rentals and Variety*