



Reporting Guide for the 2004 Radio & Television Programming Undertaking(s) (including Networks)

This Reporting Guide is to assist in the completion of the **Annual Return for Radio and Television "Programming Undertaking(s)"** (Form No. 5-5300-54.1)

Survey Objective

This survey collects data which are essential for the statistical analysis of the Radio and Television Broadcasting industry and its impact on the Canadian economy. The data have become very important to users, given the current interest in Telecommunications industries and their role in economic growth. The results of this survey will be published in Statistics Canada Catalogue number 56-001.

Confidentiality Statement

This information is collected under the authority of the **Statistics Act**. Statistics Canada is prohibited by law from publishing any statistics which would divulge information obtained from this survey that relates to any identifiable business/institution/individual, without prior written consent. The data reported in this questionnaire will be treated in confidence and will be used exclusively for statistical purposes and published in aggregate form only. Either the Access to Information Act or any other Legislation, will not modify the confidentiality provisions of the Statistics Act, which treats confidential data.

Agreements and Regulations

In order to avoid duplication and ease the burden on respondents, Statistics Canada has entered into the following data sharing agreements concerning this Radio and Television Survey:

- A. Under section 11 of the Statistics Act with the "Institut de la statistique du Québec" for the sharing of information from this survey for broadcasting undertakings in Quebec. The Quebec Statistics Act includes the authority for the collection of this information and the same provisions for confidentiality and penalties for disclosure of information as the Federal Statistics Act;
- B. Under section 12 of the Statistics Act with the Canadian Radio-Television and Telecommunications Commission (CRTC) for all broadcasting undertakings in Canada. This information is required by the Commission under the authority of the Broadcasting Act and the regulations and conditions of licence thereunder. Statistics Canada is collecting the information on behalf of the Commission. The Commission will retain a copy of the questionnaire thus satisfying the requirements of the Television Broadcasting Regulations 1987 and Radio Regulations 1986 or conditions of licence for all broadcasters in Canada to provide this type of information to the Commission on or before November 30 of each year for the year ending on the previous August 31; and
- C. Under section 12 of the Statistics Act with the Federal Department of Canadian Heritage for all broadcasting undertakings in Canada, the "Ministère Québécois des communications" for broadcasting undertakings in Quebec, and the Ontario Ministry of Economic Development and Trade for broadcasting undertakings in Ontario. The agreements we have with these agencies require that they keep the information confidential and only use it for statistical and research purposes. In the case of the agreements with these three agencies, respondents may object to the sharing of their information by giving notice in writing to the Chief Statistician and returning the letter of objection in a separate envelope addressed to: **Special Advisor, Telecommunications and Broadcasting Section, Science, Innovation and Electronic Information Division, Statistics Canada, Ottawa, Canada, K1A 0T6, Telephone: (613) 951-3177, Facsimile: (613) 951-9920.**

Change of Ownership

When a change of ownership has been approved by the CRTC, within 90 days thereof, the former licensee will file with Statistics Canada a copy of an annual return covering the period of operations from September 1 to the day of transfer. The new licensee will file an annual return from the day of transfer to August 31. In some cases, the new licensee elects to file an annual return for the full broadcast year. In either case, the licensee should indicate on the return, which period they are filing.

Completion of the Return

This Annual Return is to be completed by those persons licensed (i.e.: the "licensee") by the CRTC to operate: (a) a commercial radio or television programming undertaking(s), or (b) a non-profit television programming undertaking, earning **more than \$2.0 million** in total revenues as set out in the Radio Regulations, 1986 and Television Regulations, 1987." The "television stations" include; conventional television stations, licensed rebroadcasting stations and television networks. The "radio stations" include; conventional radio stations and radio networks.

Where a licensee operates a radio and/or television undertaking and one or more other types of licensed broadcasting undertakings, this Annual Return must be completed to report the specific results of the radio / television undertakings. Separate Annual Returns (eg: Annual Return of Broadcasting Distribution Licensee) specific to the operations of the other undertakings must also be completed and are available from Statistics Canada at the address on page 2 of this Guide.

The reporting period to be covered by this Annual Return is the broadcasting year which is the 12-month period from September 1, 2003 to August 31, 2004.

In addition to this 6 page Reporting Guide, this Annual Return consists of six (6) sections to be completed as follows:

- i) Section "1" (pages 2 to 4): requests information specific to the licensee of the radio and/or television station(s) reporting in sections "2" and/or "3". All licensees must complete and submit one section "1" per Annual Return,
- ii) Section "2" (pages 5 to 8): a separate section "2" must be completed for each licensed originating commercial **radio** broadcasting undertaking as follows:
 - a) undertakings with total revenues of \$2.0 million or less or, an A.M. and F.M. undertaking operating in the same market (pursuant to section 1 of the Broadcasting License Fee Regulations, 1997) with combined total revenues of \$4.0 million or less, **need only complete**, for each individual undertaking: all of page 5; the first section of page 6 (radio-supplementary financial data – summary statement) and questions A (language of broadcast), B (music format) and C (at the bottom of page 6).

b) undertakings with total revenues of more than \$2.0 million or over \$4.0 million for an A.M. and F.M. undertaking operating in the same market must complete pages 5 to 8 in full (except for the first section of page 6, radio-supplementary financial data – summary statement) for each individual undertaking.

iii) Section “3” (pages 5 to 9): a separate section “3” is to be completed for each individual originating commercial **television station** and for each non-profit television station(s) with revenues of more than \$2.0 million.

iv) Section “4” CRTC "Canadian Talent Development Initiatives" Form: to be completed for each commercial radio undertaking.

v) Section “5” CRTC "Employment Equity" Form: All licencees must complete this form.

vi) Section “6” CRTC "Alcohol Advertising" Form: to be completed for each commercial radio undertaking.

Important: If you are missing any part of this Reporting Guide, of Sections 1 to 6 of the Annual Return or if the cover page's listing of undertakings is not consistent with your organizational structure, please contact Statistics Canada immediately at the address listed below.

Subject to (i) and (ii) below, please submit **three copies** of the licensee's audited Financial Statements for the 12-month period ending August 31, 2004 and **three completed copies** of this Annual Return:

i) **Television** - other than licencees who are public companies, all licencees of television programming and network undertakings who do not have a condition of licence related to financial performance and who do not have total advertising revenues of more than \$10 million for all of their licensed television undertakings combined may, in lieu of audited financial statements, file non-audited financial statements at the licensee level for the 12 month period ending August 31, 2004 (See the Appendix on page 6 of this guide).

ii) **Radio** - other than licencees who are public companies, all licencees of radio undertakings who do not have total radio advertising revenues of more than \$ 10 million for all of their licensed radio undertakings combined may, in lieu of audited financial statements, file non-audited financial statements at the licensee level for the 12 month period ending August 31, 2004 (See the Appendix).

The return is to be typed or legibly written. A postage paid addressed envelope is enclosed for your convenience. If you have any queries regarding this questionnaire, please contact the:

Special Advisor
Telecommunications and Broadcasting,
Science, Innovation and Electronic Information Division,
Statistics Canada,
Ottawa, Canada, K1A 0T6.
Telephone: (613) 951-3177, Facsimile: (613) 951-9920.
E-mail: daniel.april@statcan.ca

CRTC File Number, Call Sign and CRTC Undertaking Number

The CRTC file number should be entered at the bottom of pages 2 and 5 of the Annual Return. On pages 5 to 9 also enter the call sign so that these pages can be related to the TV or radio license. On page 5 enter CRTC undertaking number. This information has been pre-printed on the cover of the questionnaire. The CRTC file number is the seven-digit number to the right of the Masthead page.

CRTC Licence Fees

Licence fees are not to be remitted with this return but mailed directly to:

Director, Financial Operations
The Canadian Radio-television and
Telecommunications Commission,
Ottawa, Ontario, K1A 0N2

Enquiries pertaining to licence fees should be referred to the above. Telephone: (819) 997-4384 or Fax: (819) 953-5107.

Definitions

Licensee - A corporation, organization or person licensed by the CRTC to operate a television programming undertaking as set out in the Television Broadcasting Regulations, 1987 or an A.M. or F.M. radio station or radio network as set out in the Radio Regulations, 1986.

Television station - A television programming and/or broadcasting transmitting undertaking including licensed rebroadcasting stations and television networks.

Radio station - a radio programming and/or broadcasting transmitting undertaking including licensed stations and networks.

Reporting unit - The smallest unit capable of reporting revenues, expenses, profits and assets on behalf of the undertaking. A reporting unit may consist of (a) a single television station, (b) a television station operating in conjunction with rebroadcasting stations, (c) a television network, (d) a single radio station or (e) a radio network.

SECTION “1” - LICENSEE (COMPANY) INFORMATION

Page 3: Balance Sheet

If not incorporated please supply details of Capital Account.

Non-consolidated financial statements should be used in the completion of this page. Where appraisal increases have occurred, they must not be included in fixed assets but shown separately on line 5.1.

Line 1.4 "Other Current Assets" includes receivables (net), inventories, other prepaid expenses and current amount(s) due from associated companies.

Line 3.1- 3.3 To report the historical cost, accumulated depreciation and net undepreciated capital cost of **ALL** fixed assets, broadcasting and non-broadcasting, owned and/or leased (capital) by the licensee that were in use as at August 31, 2004.

A licensee whose financial statements include the results of operations of more than the radio and /or television undertaking(s) reporting in this Annual Return, e.g.: a cable, a multipoint distribution system (MDS), direct to home (DTH) or other licensed programming undertaking(s), non-programming or non-broadcasting activity(s), must segregate and report the net fixed assets used or allocated for use in each particular activity on lines 3(a) to (e), as applicable. Fixed assets that were not in use as at August 31, 2004 are to be reported on line 5.3.

Line 7.3 "Other Current Liabilities" includes accounts payable and accrued income tax payable, dividends payable, unearned income, current portion of long-term debt and current amount(s) due to associated companies.

Line 8.3 "Other non-Current liabilities" includes deferred income tax and amount(s) due to associated companies.

Line 10 "Total Shareholder's Equity" includes preferred and common shares, retained earnings (accumulated deficit) at the end of the year and other surplus.

Page 4: International Payments and Receipts

Business Services includes all commercial, financial, professional, technical, administrative and management services, royalties, patents, copyrights, advertising, commissions, salaries, insurance premiums and claims, equipment rentals, computer services and all other receipts from and payments to non-residents for services which are directly remitted or charged to accounts. Merchandise exports and imports, travel and freight and shipping transactions are to be omitted. All amounts are to be reported net of withholding taxes.

Line 4 The European Union, excluding the United Kingdom and France, consists of Austria, Belgium, Denmark, Finland, Germany, Greece, The Republic of Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden.

Line 6 Organization for Economic Cooperation and Development (OECD) countries, excluding Japan, United States and European Union are: Australia, Czech Republic, Hungary, Iceland, New Zealand, Mexico, Norway, Switzerland, Turkey, Poland and Korea.

Page 5: Financial Summary Radio (Section 2) or Television (Section 3)

Line 1.1 "Local Time Sales" should include revenue from the sale of air time by local sales representatives, net of advertising agency commissions and trade discounts. The fair market value of bartered contra, sponsorship, or any other non-monetary transactions should also be included on this line.

Line 1.2 "National Time Sales" should include revenue for national advertising, net of any advertising agency commissions and trade discounts. National sales are usually commissionable to the station's national representative.

Line 1.3 "Network Payments to Station" - For the network, it should include net payments made to the affiliates as a reduction of the revenue. For the affiliates it should include their share of the network net payments, or the reverse as the case may be.

Line 1.4 **(TV ONLY)** "Infomercial" is defined as programming exceeding 12 minutes in length that combines entertainment or information with the sale or promotion of goods or services into a virtually indistinguishable whole. It may also involve the promotion of products mentioned in distinct commercial breaks within the infomercial programming itself.

Line 1.6 "Other Revenue" should include broadcast related revenue received from the use of talent, services and technical facilities. Non-broadcasting related revenue should be excluded entirely from the licensee income statement.

Line 3.3 "Interest Expense" should be allocated to the system in the same proportion as the system's annual depreciation is to the total depreciation.

3.4 – 3.6 "Investments, interest and incidental broadcasting income", "Amortization of goodwill, etc." and "Gain (loss) from disposal of fixed assets, investments, etc." specific to a particular station should be allocated to the station according to G.A.A.P.

Line 3.8 "Provision for income taxes" should be allocated to the station according to G.A.A.P.

Total Remuneration

Line 4.1 "Salaries and wages" should include payments for regular hours worked, overtime, vacation and holidays, and commissions paid to staff under the sales and promotion category. (including "fringe benefits" and "Director's fees")

Line 4.2 "Average number of employees" should be the typical weekly average of full and equivalent part-time employees. Where there are part-time employees include them as equivalent full-time employees by calculating their work time in proportion to a typical full week's work. Non-Staff commissioned sales representatives should not be included as employees and their cost should be reported on line 3.2, page 8 for television stations and line 3.2 page 7 for radio stations.

Line 4.3 Fringe benefits" should include the taxable items shown on employees' T4 slip such as profit sharing and bonus arrangements, the cost to the employer of providing retirement pensions to employees, whether or not under the Canada Pension Plan, Quebec Pension Plan or other government pension plans and the cost of providing benefits such as group medical, group life, employment insurance, workers' compensation and other employee benefits. Do not include the value of board and lodging or other payments in kind.

SECTION "2" - RADIO STATION INFORMATION

Page 6: Radio - Financial Data

Summary (Line 1.1) - Detailed (Line 1.5)

"Music licence fee" are fees paid for the right to broadcast musical works (eg. payments to SOCAN). They are reported under "Programming and Production Expenses" rather than "Administration and General expenses" to more properly reflect their correct expense classification.

Summary (Line 1.2) - Detailed (Line 1.6)

"Neighboring Rights" (payments to NRCC) – Payment for the communication to the public by telecommunication of published sound recordings of musical works

Summary (Line 1.3) - Detailed (Line 1.7)

"Reproduction of musical works" (payment to SODRAC) – Payment for specific uses of the musical works in the repertoire by commercial radio stations

Page 8: Summary of Radio Broadcasting Fixed Assets and Depreciation

Historical cost of fixed assets (line 3, col. 1) and accumulated depreciation (line 3, col. 2) for all stations should agree with the Balance Sheet, page 3, lines 3.1 and 3.2. **If amounts do not agree, please provide a reconciliation and explanation.**

SECTION "3" TELEVISION STATION INFORMATION**Page 6: Direct Operating Expenses****Acquisitions and Productions:**

Programming and production expenditures are those expenditures made to acquire the exhibition rights to or produce programming and may include both direct and indirect costs:

Direct costs are those costs which are attributable in full to the acquisition or production of programming. This would include salaries and benefits paid to staff who work exclusively in the programming department, non-staff talent fees, program rights, licence fees, films, tapes, props, sets, program related materials and supplies, as well as program vehicle operating costs.

Indirect costs are those costs that are not attributable in full to the acquisition or production of programming but are necessary for its acquisition or production. This would include a reasonable allocation of heat, light and hydro related to the building in which the programming production facilities are located, a reasonable allocation of salaries and benefits paid to staff who do not work exclusively in the program production or acquisition department, but who are on occasion, directly involved in the production of acquisition or programming. It would **NOT** include the cost of distributing or transmitting programs, technical equipment parts and supplies, line, microwave or satellite charges, sales and promotion or administration and general costs.

Where an expenditure is made to acquire or produce a program, the amount of the expenditure is to be capitalized. Where a previously capitalized program is subsequently telecast on the licensee's station, the original capitalized cost should be amortized (expensed) on a basis that is reasonable. For example, on the basis of the percentage that the actual advertising revenue earned from telecasting the program in the year is of the total advertising revenue that the licensee expects to earn over the life of its telecasting the program; all to the maximum of the original capitalized cost. Where the expenditure is made on a Canadian program, the amount of the expenditure should be capitalized to the category of Canadian programming. Foreign programming is to be capitalized to the category of non-Canadian programming.

The data should cover all program expenses for programs telecast in the fiscal year ending August 31, 2004. Where broadcasting rights obtained cover more than this fiscal year only the amortized costs should be reported. The grand total of programming and production expenses must reconcile with the total programming and production expense on page 5, line 2.1.

CTV Network affiliates should include the cost of programs acquired through the program service of the network but should exclude their share of the cost of network "sales time" programs.

Equity Investments:

The actual amount paid or payable on account of an equity investment in a Canadian production is not in itself an eligible Canadian programming/production expenditure. However, where an equity investment is written-off before its full original cost has been recovered then the unrecovered balance, the loss, may be written-off and claimed as a Canadian program expense.

Please refer to Public Notices CRTC 1993-93 and CRTC 1993-174 for further clarification of the Commission's definition of eligible Canadian programming expenditures and the appropriateness of certain accounting practices.

A. Programs Telecast:

- Line 1.1** Co-operative productions are programs produced by two or more television licensees that respond to the needs and interests of the audience in the communities or regions served and involves a sharing of costs and production personnel, particularly in under-represented categories such as drama, music/dance, variety and children's programming.
- Line 1.6** "Special recognition" is a form of Canadian content accreditation given co-ventures (international co-productions involving countries that do not have a film or television production treaty with Canada).
- Line 1.8 (a) Close Captioning:**
Close captioning refers to programs containing closed captioning for the hearing impaired.
- Line 1.8 (b) Dubbing:**
Where a program is produced in a language in either one or none of the official or aboriginal languages of Canada, and the audio portion of that program is converted into an official language of Canada or an aboriginal Canadian language by a process of lip synchronization.
- Line 1.8 (d) Children's programming:**
Programs produced for children under 12.

B. Other Programming Expenses

Lines 1 & 2 "Program inventory write-downs" - when it is determined that a previously capitalized program acquisition or production will not be telecast on the licensee's facilities or will not be telecast further by the licensee, and:

- i) the program is sold or syndicated, the remaining unamortized portion of the original capitalized cost of the program should be written down through line 1 or 2, as applicable, matching the amortization of the costs against the revenues earned or to be earned from the sale or syndication,
- ii) the decision not to telecast or telecast further results in a permanent reduction to the value of the program, that portion of the original capitalized cost of the program representing the reduction should be written down through line 1 or 2, as applicable, in the year that the decision to reduce the value of the program is made.

Line 3 "Script and Concept development expenditures" - The objective of program development funding is to provide for investment in the script and concept development of Canadian programs. Emphasis should be upon providing "seed" money as a means of encouraging the development of innovative projects and Canadian creative talent. Expenditures on Script and Concept development, excluding overhead, are initially to be capitalized. When the program for which the development expenditures were incurred is subsequently developed, the previously capitalized development expenditures are to be capitalized as a cost of the program and are no longer to be considered Script and Concept development expenditures for the purpose of this definition. Conversely, Script and Concept development expenditures incurred on account of programs which are subsequently not developed should be expensed on line B.3, page 6 in the year the decision not to develop the program is made.

Line 4 "Loss on equity investment/principal on loan's in arm's length productions of Canadian programs" - equity investments and loans to assist in the financing of Canadian productions are not considered to be eligible Canadian program expenditures. However, losses on arm's length equity investments and arm's length loans to assist in the financing of Canadian productions are considered to be eligible and are to be entered on this line in the year that investment/loan is written-off.

TELEVISION PROGRAM CATEGORIES

Information and Sports

1. News:

Newscasts, newsbreaks, headlines. Programs reporting on local, regional, national and international events. Such programs would include weather reports, sportscasts, community news and other related features or segments contained within "News Programs".

2. Analysis and interpretation:

Serious or light programs that are about politics, economics, agriculture, business, social issues, personalities, nature, science and technology, society, arts and culture, history and biography, etc.

3. Reporting and actualities:

Programs which concentrate on the coverage of political conventions, conferences, opening/closing of events, political debates and election-related partisan political telecasts, and also includes fund raising of a non-entertainment nature (telethons).

4. Religion:

Programs dealing with religion and religious teachings, discussions of the human spiritual condition.

5. Education:

- a) Formal education programs presenting detailed information on a wide variety of topics and aimed at the acquisition of knowledge essential to all human beings on a wide variety of subjects. The programs can be related to established curricula in each of the provinces of Canada and can also be targeted at pre-schoolers.
- b) Informal education programs presenting information on recreational and skill development; leisure and outdoor activities in their different forms and job opportunities; instructional quizzes where the predominating element is the participants knowledge; and talks-shows of an informative nature.

6. Sports:

Programs including live or live-on-tape sports event coverage, scripted sports and programs reviewing and analysing sport.

Music and entertainment

Programming primarily designed to entertain.

7. Drama:

- a) ongoing dramatic series;
- b) ongoing comedy series;
- c) specials, mini-series and made-for-TV features films;
- d) feature films, primarily for theatre release;
- e) animated television programs and films;
- f) programs of comedy sketches;
- g) other (narratives, improvisation, etc.)

8. Music:

Programs primarily concerned with live or pre-recorded performances of traditional and popular music including video clips and also including opera, operetta, ballet and musicals.

9. Variety:

Programs containing entertainment of mixed character consisting of a number of individual acts or performances such as singing, dancing, acrobatic exhibitions, comedy sketches, monologues, talk-shows, magic etc;

10. Game shows:

Programs where the public can participate in tests of all kinds in the hope of winning prizes. In the games the element of chance is predominant, rather than knowledge and skill, and is used to determine the outcome of the tests.

11. Human interest:

Programs presenting information primarily for its entertainment value about entertainment and its people such as awards, magazine programs, interviews, profiles, fund-raising programs; coverage of community events such as carnivals, festivals, parades, etc.

12 – 15. Others

Programs consisting of material that cannot be described under categories 2 to 11 such as: Interstitials, public service announcements, infomercial, promotional and corporate videos and filler programming.

Page 7: Television – Direct Operating Expenses

C. Production Expenses

Line 3 “Cost of Production Services Sold” are those production services provided by a licensee to a third party where the licensee is acting solely as a production service provider and has no investment or ownership interest in the production itself (e.g.: production of commercials). Match the cost against the revenues earned from the sale of the service to the third party. Revenues are to be reported on line 1.6 on page 5, Section 3 of this Return.

Important: All licensees who have a condition of licence (COL) related to Canadian programming expenditures must also provide as part of this annual return, a complete reconciliation of its Canadian programming expenses as contained on pages 6 and 7 of this return to what it was required to expend during the year per its COL.

Line D.1(e) “Music licence fees” are fees paid to broadcast musical works (e.g. payments to Society of Composers, Authors and Music Publishers of Canada (SOCAN). They are reported under “Programming and Production expenses” rather than “Administration and General Expenses” to more properly reflect the correct expense classification.

Page 9: Summary of Television Broadcasting Fixed Assets and Depreciation

Historical cost of fixed assets (line 3 col. 1) and accumulated depreciation (line 3 col. 2) for all stations should agree with Balance Sheet page 3 lines 3.1 and 3.2. **If amounts do not agree, please provide a reconciliation and explanation.**

APPENDIX

1. Audited Financial Statements:

- i) Licensees of radio undertakings having total advertising revenues of more than \$10 million for all of their licensed radio undertakings combined for the August 31 broadcast year being filed, must file audited financial statements along with the annual return.
- ii) Licensees of television programming and network undertakings having a condition of licence related to financial performance or having total advertising revenue of more than \$10 million for all of their licensed television undertakings combined for the August 31 broadcast year being filed, must file audited financial statements along with their annual return.

2. Non-audited Financial Statements: (to be completed by licensees filing non-audited financial statements)

Although not subject to an audit by the licensee’s external auditors, they must nevertheless be prepared in accordance with Generally Accepted Accounting Principles (G.A.A.P.)* and be signed and dated by the licensee as follows:

"I, _____ (Name) _____ (Title)

am authorized to certify on behalf of _____ (Licensee)

_____ (Signature) _____ (Date)

* Where the statements have not been prepared in accordance with G.A.A.P., please indicate the areas involved and how you treated them.

3. Licensees otherwise required to file audited financial statements and whose fiscal year end does not coincide with August 31 may, as an alternative to filing audited statements as at August 31, file non-audited financial statements at the licensee level for the 12 month period ending August 31 on which the licensee’s auditor has performed a “Review Engagement” in accordance with section 8200 of the Canadian Institute of Chartered Accountant’s handbook (the “C.I.C.A. handbook”). Licensees who elect to provide Review Engagement financial statements must also file, with their annual return, their audited financial statements for the most recently completed fiscal year ending immediately prior to the 31 August of the annual return being filed.

4. Licensees otherwise required to file audited financial statements and whose statements are included in the audited consolidated statements of a Parent company may, where audited statements at the licensee level are not prepared, file financial statements as follows:

- i) where the year-end of the Parent is August 31, file non-audited statements at the licensee level and the audited consolidated statements of the Parent both for the 12 month period ending August 31,
- ii) where the year-end of the Parent is other than August 31, file non-audited financial statements at the licensee level for the 12 month period ending August 31 on which the licensee’s auditor has performed a Review Engagement and the audited consolidated financial statements for the Parent company’s most recently completed fiscal year ending immediately prior to the 31 August of the annual return being filed.