

2019 - 2020

ANNUAL REPORT

Canadian Museum of Immigration at Pier 21



Canadian Museum of Immigration at Pier 21
Musée canadien de l'immigration du Quai 21

Canada

Canadian Museum of Immigration at Pier 21

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MESSAGE FROM THE CHAIR



On behalf of the Board of Trustees, I am pleased to present the 2019-20 Annual Report for the Canadian Museum of Immigration at Pier 21. This report demonstrates the significant work that was accomplished before we were forced to close the Museum in mid-March due to the COVID-19 pandemic.

In these uncertain times, our responsibility to collect, share and pay tribute to Canada's immigration history and the stories that bring this history to life is more important than ever. These stories reflect who we are as a nation and illustrate the vast contributions of immigrants to Canada's culture, economy and way of life.

Throughout this report, there are accounts of our many accomplishments in 2019-20 as people came together for events, programs and celebrations in the Museum itself and at many other locations where the Museum's exhibitions travelled.

The Board and management of the Museum realize that much will change in the coming year and beyond as we adapt to the new realities. Nevertheless, we will continue our efforts to share Canada's immigration stories. We will do so in new and different ways until we can come together again and Canadians and visitors from around the world can once more experience arriving at Pier 21 as so many immigrants to Canada did in the years that Pier 21 was Canada's gateway.

On behalf of the Board of Trustees, I would like to acknowledge the creativity and dedication of our management, staff and volunteers. The images and stories in the pages that follow illustrate the impact and importance of the work that they do everyday.

The Board would also like to thank the many friends, leaders, donors and partners who make what we do possible. And, of course, we would like to acknowledge the essential support of the Government of Canada. We look forward to maintaining our close relationship with all of you as we continue to enhance the reach and impact of the Canadian Museum of Immigration at Pier 21.

A handwritten signature in black ink that reads "Robert Vineberg". The signature is written in a cursive style with a long horizontal line underneath the name.

Robert Vineberg
Chair of the Board of Trustees

MESSAGE FROM THE CEO

It is with deep gratitude that I present the 2019-20 Annual Report for the Canadian Museum of Immigration at Pier 21.

It has been a remarkable year. Our visitation was on track to exceed 70,000 for the second year in a row until Hurricane Dorian closed our doors for three days in peak season and then COVID-19 closed our doors to the public on March 14th. COVID-19 has, and will continue to, reshape the Museum and our lives. Our team is resilient and we are deeply committed to our mission, which we believe is more important than ever. Collecting and sharing stories of immigrants as they arrived in Canada – their challenges, hopes, resilience and contributions – will always be at the centre of our work.

Despite these closures, the team achieved targets in almost all areas and there were many memorable events and visits, as this report highlights. Our second travelling exhibition, *Refuge Canada* made its first stop in Brampton, and the cross-country tour will continue for five years.

On site, there were many public events, book readings, concerts and gatherings. Our curatorial team worked with the Jamaican Nova Scotian community to create an exhibit called *Jamaican - Nova Scotian Connections: From the Maroons to the Present Day*, which drew upon community and museum partners to highlight the oldest Jamaican community in Canada. The opening event was filled with music, dance, and moving speeches about the tenacity, creativity and success of the Jamaican community in Nova Scotia. Co-creation is an essential part of our museum. Opening our doors to tell old stories in new ways, honouring the people who blazed trails and sacrificed so that their children could prosper, and encouraging difficult conversations in pursuit of a better country for all citizens is at the centre of our work.

These are uncertain times. I am grateful that I serve with an incredible team of staff and volunteers. The accomplishments highlighted in this annual report, and in years past, have given us a solid foundation to buffer us from some of the current challenges. Our focus on digital engagement will grow, our network of partners and friends is strong and deep, and our financial prudence in previous years will enable us to weather this storm. The team is creative, caring, agile and always focused on our mission.

I am thankful for the support of our Board, the generosity of our donors, the passion of our partners and the commitment of the Government of Canada.



Marie Chapman
Director/Chief Executive Officer



About the Canadian Museum of Immigration at Pier 21

Pier 21 is a National Historic Site which was the gateway to Canada for almost one million immigrants between 1928 and 1971. It also served as the departure point for 368,000 Canadian Military personnel during the Second World War. Pier 21 reopened on July 1, 1999, as an interpretive centre, and in February 2011, it began operating as the Canadian Museum of Immigration at Pier 21 – Atlantic Canada’s only national museum.

The Canadian Museum of Immigration at Pier 21 is a federal Crown corporation. Its purpose is to explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada’s culture, economy and way of life.



THE PROUD HISTORY OF PIER 21

Between 1928 and 1971, Pier 21 welcomed almost one million immigrants seeking adventure, employment, security and opportunity in Canada. They included refugees, evacuees, war brides and displaced people. They would go on to contribute immeasurably to Canada’s way of life and growth as a nation.

Pier 21 played another key role during the Second World War, providing a lifeline of supplies and personnel.

In 1971, Pier 21 ceased operating as one of Canada’s major immigration terminals due to the decline in the number of immigrants arriving by sea. However, its history would live on through the vision and dedication of the Pier 21 Society.



THE PIER 21 SOCIETY MUSEUM

The Pier 21 Society, a non-profit charitable organization, was founded in 1988. Its dream was to transform the immigration shed into a world-class museum that would honour the people who passed through its doors and the importance of immigration throughout Canada's history. Thanks to the tireless efforts and generosity of many supporters, the Pier 21 Museum opened on Canada Day 1999.

BECOMING A NATIONAL MUSEUM

In June 2009, the Prime Minister announced that the Government of Canada would create a new national museum at Pier 21 to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada's culture, economy and way of life. In February 2011, the Canadian Museum of Immigration at Pier 21 became the first national museum in Atlantic Canada.

In June 2015, an expanded Museum was launched, paying tribute to the important Pier 21 history, as well as the broader stories of immigration to our country, both historical and present day.

MANDATE, ROLE AND GOVERNING LEGISLATION

On November 25, 2010, the legislation creating the Canadian Museum of Immigration at Pier 21 came into effect. Under the *Museums Act*, the Canadian Museum of Immigration at Pier 21 is a distinct legal entity, wholly-owned by the Crown. It operates at arm's length from the Government in its day-to-day operations and in its activities and programming.

The amendments to the *Museums Act* established the Museum's mandate:

To explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada's culture, economy and way of life.

As a Crown corporation and a member of the Canadian Heritage Portfolio, the Museum also contributes to the achievement of the Federal Government's broad policy objectives. The Museum's primary public policy role is articulated in the preamble of the *Museums Act*, which states that, "Each [National museum]:

- a) plays an essential role, individually and together with other museums and like institutions, in preserving and promoting the heritage of Canada and all its peoples throughout Canada and abroad, and in contributing to the collective memory and sense of identity of all Canadians; and
- b) is a source of inspiration, research, learning and entertainment that belongs to all Canadians and provides, in both Official Languages, a service that is essential to Canadian culture and available to all."

The Museum is governed by the Crown corporation control and accountability regime established under Part X of the *Financial Administration Act*. The Museum is also required to comply with a range of provisions in other statutes, including: the *Access to Information Act*; the *Privacy Act*; the *Official Languages Act and Regulations*; and the *Canada Labour Code*, among others.

THE BOARD OF TRUSTEES

The Museum's Board of Trustees serves as its governing body and is accountable to Parliament for the stewardship of the Museum through the Minister of Canadian Heritage. The Board of Trustees is responsible for providing broad strategic direction and oversight.

The *Museums Act* provides for an eleven-member Board of Trustees that is appointed by the Minister with the approval of the Governor in Council. Trustees continue to serve until a new appointment is made. The Board is supported by the following committees:

An Executive and Finance Committee, to make decisions between Board meetings, provide oversight to financial planning and performance, capital projects, and assess the Director/Chief Executive Officer's performance.

An Audit and Risk Oversight Committee, to carry out the duties prescribed under section 148 of the *Financial Administration Act*, among others.

A Human Resources, Governance and Nominating Committee, to provide strategic direction and oversight to the management of the Museum's human resources and governance.

A Development Committee, to provide strategic direction and oversight to the Museum's fundraising and development efforts.

An Investment Sub-Committee to provide advice to the Board on the endowment fund investments, guided by the Museum's Investment Policy.

Chair



Robert Vineberg
Winnipeg, MB
Term: 12/14/17 to 12/13/21

Vice-Chair



Bruce Manion
Fall River, NS
Term: 01/31/19 to 01/30/23



Salima Ebrahim
Edmonton, AB
Term: 06/01/18 to 05/31/22



Omar Farouk
Brampton, ON
Term: 01/07/19 to 06/30/22



Katherine Hambly
Charlottetown, PEI
Term: 01/18/19 to 01/17/23



Daniel Hurley
Gabriola Island, BC
Term: 01/18/19 to 01/17/23



Mona Kumar
Mississauga, ON
Term: 06/01/18 to 05/31/22



Caroline Lavoie
Montréal, QC
Term: 03/01/18 to 02/28/22



Terrie Miller
Toronto, ON
Term: 01/18/19 to 01/17/21



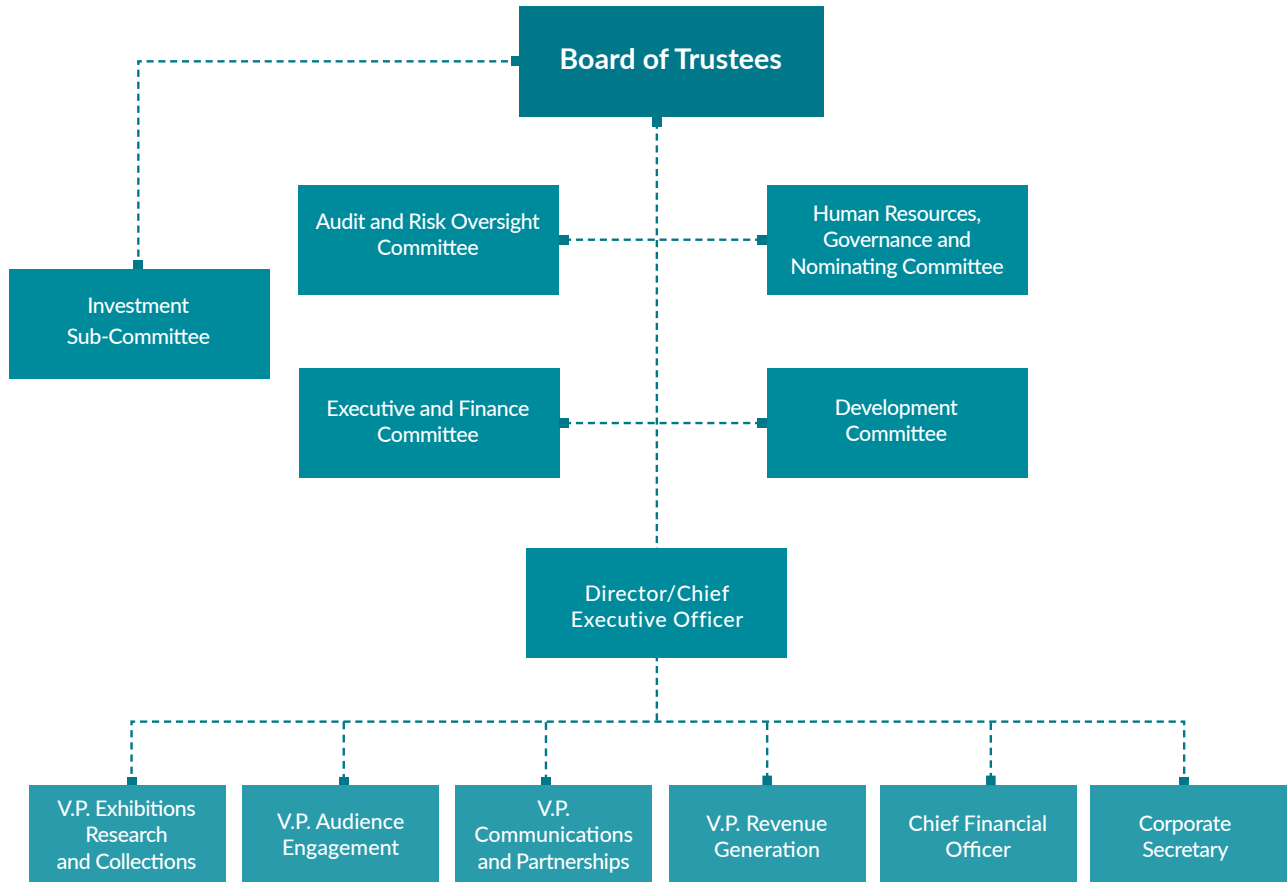
Donald Obonsawin
Stouffville, ON
Term: 01/18/19 to 01/17/23



Cynthia Price Verreault
Montréal, QC
Term: 01/18/19 to 01/17/23

MANAGEMENT AND STAFF

While the Board is accountable for results and the business activities of the Museum, the Chief Executive Officer, supported by a Senior Leadership Team, is accountable for the day-to-day administration of the Museum's performance and the achievement of objectives.



THE SENIOR LEADERSHIP TEAM



Left to right: Fiona Valverde, Tanya Bouchard, Jennifer Sutherland, Kendall Blunden, Carrie-Ann Smith, Marie Chapman, Jennifer Tramble.

Marie Chapman, Director/Chief Executive Officer

Kendall J. Blunden, CPA, CA, Chief Financial Officer

Tanya Bouchard, Vice-President, Exhibitions, Research and Collections

Carrie-Ann Smith, Vice-President, Audience Engagement

Jennifer Sutherland, Vice-President, Communications and Partnerships

Jennifer Tramble, Corporate Secretary

Fiona Valverde, Vice-President, Revenue Generation

The Museum had 55 full-time equivalent positions at the end of March 2020. In addition to the highly committed and dedicated staff, the Museum benefits from an extensive network of loyal volunteers.

CORE RESPONSIBILITIES

Consistent with the Government of Canada's Policy on Results (July 1, 2016), the Museum has adopted three core responsibilities. These core responsibilities, as well as internal services, support the overall strategic outcome for the Museum as derived from its legislated mandate.

Strategic Objective

Canadians are engaged in building and exploring the stories, themes and history of Canadian immigration as it continues to unfold.

Core Responsibility 1 Visitor Experience and Connections

Canadians have access to—and are engaged in building—Museum content and programming that reflect the diverse experiences and contributions of immigrants throughout Canada's history.

Core Responsibility 2 Accommodations

The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for visitors, staff and volunteers; and are maintained in a cost-effective manner.

Core Responsibility 3 Fundraising and Commercial Activities

The Museum's fundraising and commercial activities provide essential financial support.



RESULTS

In the 2019-20 fiscal year, the Museum delivered on key priorities in all areas. Highlights are as follows:

CORE RESPONSIBILITY 1: VISITOR EXPERIENCE AND CONNECTIONS RESEARCH AND CONTENT DEVELOPMENT

Museum content explores the theme of Canadian immigration, regardless of point of entry, and the contribution of all immigrants to Canada's nation-building.

Key Commitments to March 31, 2020

- Actively collect engaging oral histories, stories and digital images that reflect the Museum's mandate, Canada's multicultural mosaic and its linguistic duality.
- Continue to catalogue the Museum's Collection and make it available to Canadians onsite and online, with the following targets for 2019-20:
 - 1,720 written story records available online
 - 747 oral history records available online
 - 7,000 digital archival records available online
 - 500 new acquisitions catalogued.
- Complete and publish a book on Pier 21.

Complete at March 31, 2020

- 29 new oral history interviews were completed in 2019-20. 64 stories and 748 digital image assets were acquired.
- An additional 45 oral history records, 53 written story records, and 1,000 digital archive records were added to the online Collection, achieving the targets above.
- 1,412 new acquisitions have been catalogued.
- The book, *Pier 21: A History* was published. The official launch and promotion have been delayed due to COVID-19.



INTERPRETATION AND CONNECTIONS

Exhibitions and programming are innovative, compelling, thought-provoking and reflect the diversity of the immigrant experience within Canada.

Key Commitments to March 31, 2020

- The conceptual plan for the renovation of the Contributions Zone of the Canadian Immigration Hall is completed responding to audience feedback and experiences.
- The Museum's second travelling exhibition, **Refuge Canada**, is launched and booked at sites across Canada.
- Onsite programming continues to explore a wide range of cultures and historic themes and engage community partners.

Complete at March 31, 2020

- The conceptual plan for the Contributions Zone was completed in Q1. Graphic design and film pre-production is underway. The redeveloped space will open to the public in Q1 2021-22.
- The **Refuge Canada** travelling exhibition began its national tour at the Peel Art Gallery Museum and Archives in Brampton, ON, from June to September 2019. It has been hosted at the Esplanade Arts and Heritage Centre in Medicine Hat, AB from September to December 2019; and at the Nanaimo Museum, Nanaimo, BC beginning in January 2020. The exhibition will continue to tour through 2024, with most bookings already secured.
- Design work was completed for a mini **Refuge Canada** exhibition that will tour smaller locations.
- In partnership with the Royal BC Museum, the Museum hosted the **Family Bonds and Belongings** temporary exhibition onsite from March until November 2019, attracting more than 34,000 visitors.
- The Museum offered 38 public programs such as the **Diversity Spotlight** film series, **Discover Culture** family program and community outreach programs attracting over 12,500 public programming visitors to the Museum.
- A **Community Presents** exhibition, **Jamaican - Nova Scotian Connections**, was created in partnership with the Jamaican Cultural Association of Nova Scotia and launched on February 7, 2020 drawing 164 members of the Caribbean community.



VISITOR EXPERIENCE

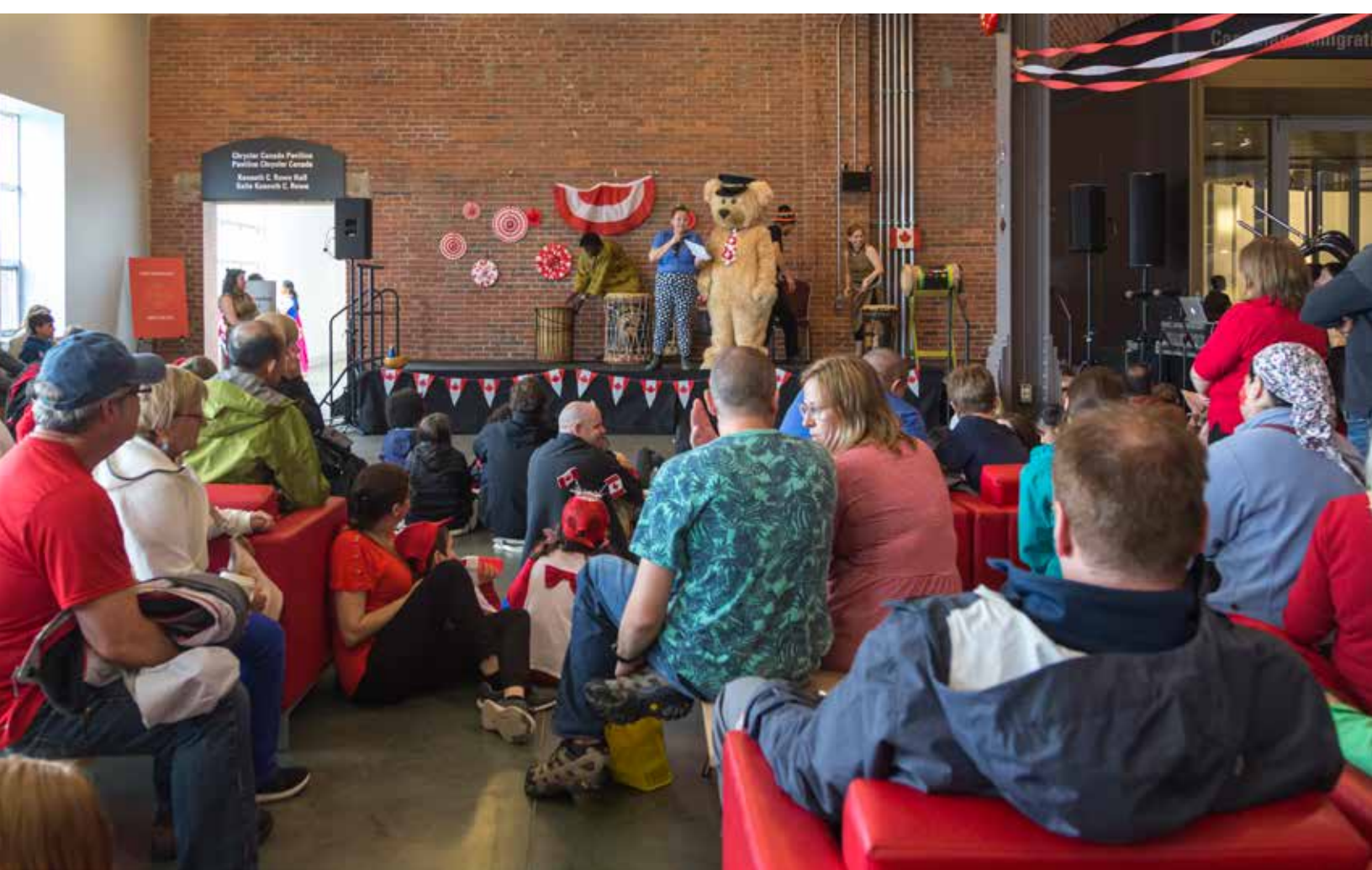
The visitor experience makes possible personal and emotional connections; celebrates diversity and fosters inclusion; and builds audience and repeat attendance.

Key Commitments to March 31, 2020

- Build on the opportunities presented by the expanded Museum to attract new and repeat visitors, including a new program to attract Chinese bus tour groups to achieve visitation targets in all categories.
- Further enhance the visitor experience through the Scotiabank Family History Centre, targeted and experiential programming. 90% of visitors are satisfied or very satisfied with their overall experience.

Complete at March 31, 2020

- 126,716 people experienced the Museum in 2019-20, including 66,660 paid visitors, 2,321 unpaid visitors, 6,659 school children, 29,296 visitors to the Scotiabank Family History Centre, and 21,780 event and public programming participants.
- 95% of respondents surveyed rated their visitor experience as satisfying or very satisfying.
- The museum's fourth Artist-in-Residence, photographer Katrina Marinic, brought together historical imagery and contemporary portraits of visitors taken on site in a large-scale video projection in support of the exhibition *Family Bonds and Belonging*.



ACCESS AND AWARENESS

Canadians in all regions of the country have greater access to the Museum's Collection, expertise and programs and the Museum garners a high level of awareness and public support through strong and effective marketing and communications strategies.

Key Commitments to March 31, 2020

- A comprehensive marketing and communications approach builds awareness, drives visitation and leverages revenue generation opportunities. Visitation targets are achieved and 1,800 media mentions are generated and targeted potential earned media reach exceed 200 million.
- Digital strategies build online engagement with local, national and international audiences that is planned, interactive and experiential. Web visitation, Twitter and Instagram followers each increase by 20% and 4,500 social media interactions are achieved.
- Continue to grow the mailing list through active offer to Museum patrons and build audience engagement through a monthly e-newsletter.
- Continue the blogger relations and travel writer outreach program reaching 10 bloggers and 20 travel writers in 2019-20.

Complete at March 31, 2020

- Visitation targets achieved, 2,510 media mentions and targeted potential earned media reach of 1.330 billion.
- Digital engagement strategies increased Twitter followers by 31%, Instagram followers by 29%, and generated almost 18,000 social media interactions. Web visitation decreased slightly from 511,538 unique visitors in 2018-19 to 489,039 unique visitors in 2019-20.
- 4,460 subscribers to the monthly e-newsletter, slightly below the target of 4,700.
- Outreach to bloggers and travel writers and other media outlets exceeded targets (more than 40 travel writers and 15 bloggers reached) and generated significant coverage in traditional media as well as online.



OUTREACH AND COLLABORATION

The Museum is viewed as a positive collaborator with key stakeholders including other museums, cultural and immigration groups, universities and tourism organizations.

Key Commitments to March 31, 2020

- Continue to strengthen partnerships with the tourism sector, community partners, the academic community, official language stakeholders and other key stakeholders and develop new audiences across Canada.
- Continue to build a relationship with the Mi'kmaq to help ensure exhibits and programming continue to be respectful and inclusive.

Complete at March 31, 2020

- Successful partnerships in 2019-20 include Atlantic Immigration Summit, Symphony Nova Scotia, Neptune Theatre, Canada's Walk of Fame, Veterans Affairs Canada, Le Corridor, Halifax Comedy Festival, PFLAG/Pride, Royal Nova Scotia International Tattoo, Canadian Museum of History and Ancestry.ca.
- Currently working with the Assembly of Nova Scotia Mi'kmaq Chiefs towards the development of a memorandum of understanding.





CORE RESPONSIBILITY 2: ACCOMMODATION

The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for visitors, staff and volunteers; and are maintained in a cost-effective manner.

Key Commitments to March 31, 2020

- Capital projects optimize the use of the space, improve accessibility, are managed prudently and respect the historic nature of the site.

Complete at March 31, 2020

- A project to renovate the Contributions Zone of the Canadian Immigration Hall continued in 2019-20 with the completion of the conceptual plan and the commencement of design and film pre-production. The renovation will be completed and reopened to the public in Q1 2021-22.





STRATEGIC PRIORITY 3:

FUNDRAISING AND COMMERCIAL ACTIVITY

SOUND MANAGEMENT OF RESOURCES

The organization and its resources are aligned in a way that enables the Museum to achieve its mandate.

Key Commitments to March 31, 2020

- Achieve self-generated revenue targets of \$2.936 million in 2019-20, including \$1.442 million from fund development.
- Identify, cultivate and solicit major gift donors for new Museum spaces and programs, continue to steward past donors and continue with successful special event fundraisers.

Complete at March 31, 2020

- Achieved net self-generated revenues of \$3.075 million, exceeding the budget of \$2.936 million but lower than 2018-19. This includes \$992,700 from fund development, below the target of \$1.442 million. Ticket sales, programming and facility rentals all exceeded targets for the year.
- Major gifts were below target for the year at \$650,000, versus a budget of \$1.1 million, primarily due to timing. A leadership level annual giving club – the Pier 21 Club – continued with 30 members. Fundraising special events continued to exceed budget and grow national awareness. Annual giving and planned giving also exceeded targets.



INTERNAL SERVICES

The Corporation will be a model for progressive, innovative and sound management practices. It will continue to have empowered, entrepreneurial and diverse employees and volunteers who are respectful of the Museum's mission and mandate.

Key Commitments to March 31, 2020

- An integrated performance management program recognizes results and the Museum's core values.
- 75% of permanent employees participating in learning and development opportunities.
- 100 volunteers and 10 Welcome Home to Canada participants play an important role in the Museum's culture, diversity and the organization's success.

Complete at March 31, 2020

- Corporate plan commitments are incorporated in all employee performance plans with results measured via the annual performance management program.
- 94% of employees participated in professional development and education opportunities.
- 104 volunteers and 10 Welcome Home to Canada newcomers made significant contributions to the Museum in 2019-20.





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CREATIVE CONNECTIONS

For many newcomers the moment of arrival in Canada becomes forever etched into family lore. For others, it is a moment lost in time as attention quickly turns to the pressing needs of finding a home and making a living.

For award-winning playwright, Hannah Moscovitch, those lost details were found during a chance visit to the Scotiabank Family History Centre at the Canadian Museum of Immigration at Pier 21. What happened next was transformative as Hannah went on to learn more about her great-grandparents, their escape from the pogroms, meet long lost relatives and co-create the acclaimed musical ***Old Stock: A Refugee Love Story***.

Since 2017, ***Old Stock: A Refugee Love Story*** has been performed to sold-out audiences around the world from New York to Melbourne. As a result the Museum has received thousands of media mentions nationally and internationally helping to spread awareness of both the Museum and Canada's immigration history. The relationship with Hannah also continued as she first shared her story in a campaign promoting the Museum's genealogy services and later in the first season of the Museum's upcoming podcast ***Countless Journeys***.

Museum and theatre worlds came together in October 2019 when the musical finally came home to Halifax for a sold-out run at Neptune Theatre. The Museum and Neptune Theatre created a cross-promotional partnership to reach out to tell our stories to new audiences.

PIER 21: THE MUSICAL

Hosting **Pier 21: The Musical** from June 29th through July 8th, 2019 was a highlight of Canada Day and the whole summer at the Museum.

Presented by the Canadiana Musical Theatre Company from British Columbia, this swing and celtic-flavoured musical showcased the experiences of immigrants, service personnel and immigration staff at Pier 21 during and after the Second World War.

Pier 21: The Musical was immensely popular with nearly every performance completely full meaning that 1,800 people attended the 17 performances. The Museum received an exceptional amount of feedback, with the following being a favourite:

"What drew us to the Pier this year, was the musical and it was beyond our expectations. What gifted performers, I have to admit I had to wipe tears away on several occasions... It was more than wonderful and I have contacted several people encouraging them to take advantage of this short window of opportunity to see this musical presentation... the gentleman sitting in front of me was moved during the show as well so I asked him if he had a personal connection to one of the stories. His reply was interesting. He said something like, "No, just grateful for the many things I take for granted." I think he hit the nail on the head!"



HOLOCAUST EDUCATION WEEK

The Museum's annual partnership with the Atlantic Jewish Council for Holocaust Education Week events set a new bar this year.

In the 2010 memoir that Sol Nayman donated to the Museum he wrote, "I saw George's Island with its famous lighthouse in the middle of the harbour. For me, it was the symbolic equivalent of the Statue of Liberty which I had seen in many pictures. 25 years later, almost to the day, my second trip to Halifax was on a Simpsons' company jet and my view of Georges Island was from a suite of the Nova Scotia Hotel."

There was no Canadian Museum of Immigration at Pier 21 back in the 1970s so it wasn't until November 6, 2019, seventy-one years after his arrival, that Sol was able to see the exact same view when he came to speak to youth at the Museum's Holocaust Education Week events.

Sol, and the equally amazing Pinchas Gutter, who joined us thanks to support from the Azrieli Foundation, spoke to a combined 405 members of the public and 590 students over four events. Each man generously sharing his first-hand account of Holocaust survival, a rare and precious gift.



SOBEY WALL OF HONOUR

Diane Poitras reaches out to touch a plaque on the Museum's Sobeys Wall of Honour engraved with two different sounding names. Her own Québécois name, and her birth mother's, Janina Szeptuszyńska. The emotion in her face tells a story: of a quest completed, of happiness and relief.

Diane's birth mother was pregnant with her when she arrived at Pier 21 and later left her in the care of the "Crèche de la Réparation", a former orphanage in Montréal. She always knew she was adopted but knew very little about her biological beginnings. Through a request to Québec's social services she learned that her birth mother was a Polish woman who came to Canada as a refugee to escape post-war Europe. In 2010, when she received word she had died, Diane still did not know her name.

In 2017, Bill 113 passed and lifted the confidentiality attached to adoption records in Québec. Months later Diane learned her mother's full name and enlisted the help of a Québécois genealogist to check the correct spelling against other public records. Diane found documents that provided information about her mother's arrival in Montreal. With this new knowledge, she contacted staff at the Scotiabank Family History Centre to pinpoint the ship and arrival date, RMS Scythia, December 20, 1948.

The more Diane learned about Janina Szeptuszyńska, the more the meaning deepened. It reinforced her own identity, "it makes my identity truer," she explains, "it makes it sturdier. It deepens and reinforces my story."

When Diane learned about the Sobeys Wall of Honour at the Museum, she knew it would be the perfect way to commemorate her birth-mother's immigration story. A plaque against a brick background reads Janina Szeptuszyńska Diane Poitras.

The engraved bricks on the Sobeys Wall of Honour eternalize moments in time, like Janina's and Diane's. Each symbolizes a decision, sometimes a struggle or sacrifice, but always of a journey. Like a web, the stories that began with these names expand outwards through generations to add to the larger fabric that is Canada's story.

Janina Szeptuszyńska

Diane Poitras



REFUGE CANADA TRAVELLING EXHIBITION

“No one wants to be a refugee, anyone can become a refugee.”

Refugees face fear, shattered lives and often dangerous voyages in search of safety. Canada has provided that refuge for many. However, over the course of the twentieth century, Canada has had a mixed record in welcoming refugees, reacting generously to some while overlooking others.

The Museum’s new travelling exhibition, ***Refuge Canada***, began its national tour at the Peel Art Gallery Museum and Archives in Brampton, Ontario in June of 2019. The exhibit was originally launched as a temporary onsite exhibition in March of 2018, and made a deep impression on visitors. Building on that success, the Museum converted ***Refuge Canada*** into a travelling exhibition in 2019 to reach museum partners across Canada.

The exhibition examines Canada’s place in the global refugee crisis and makes powerful use of oral histories, rare artifacts and hands-on interactives, including an actual refugee tent, to bring to light the challenges faced by refugees in Canada.

Refuge Canada, supported by TD Group, has since travelled to the Esplanade Arts & Heritage Centre in Medicine Hat, Alberta and the Nanaimo Museum in Nanaimo, British Columbia. So far over 8,000 visitors have seen ***Refuge Canada*** on its Canadian tour.



PIER 21: A HISTORY

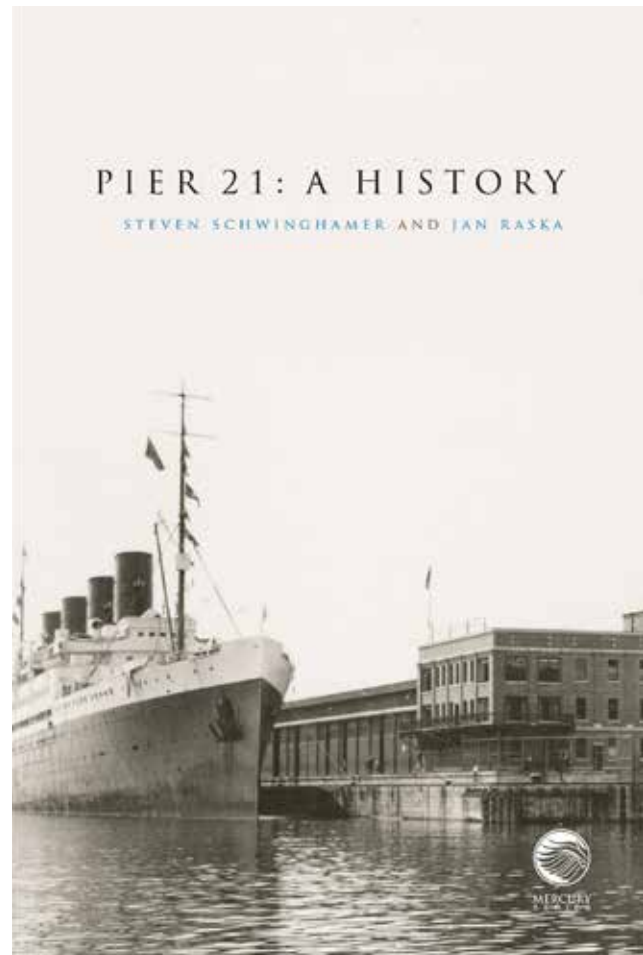
Pier 21: A History is a fascinating new popular history: a narrative highlighted with first-person testimony, little-known stories, and over 60 photographs and images, produced to the highest standards in both official languages.

Here you will read about: the beginnings of Pier 21 as an immigration shed and how it became a port of entry to Canada for almost one million immigrants; Pier 21 during the war and the war's immediate aftermath, with soldiers, spies, and even hidden treasure; and finally postwar Pier 21 as it welcomed large numbers of people displaced by the war, and others simply looking for greater opportunity.

This book is the most comprehensive existing history of Pier 21 and the first written by Museum staff (Steven Schwinghamer and Jan Raska).

Published in association with the Canadian Museum of History and the University of Ottawa Press, it represents a unique partnership with a sister national museum and a renowned university press.

This book promises to become a favourite equally with Pier 21 alumni and their families, general-interest history buffs, and specialists in immigration history.





HMT *Pasteur* at Pier 21 with returning Canadian soldiers/LAC e010786543

IMMIGRANT MIGRANT WOMEN'S ASSOCIATION OF HALIFAX ORAL HISTORY PROJECT

This collaboration was the first time the Oral History team has worked with a community organization to truly share authority in project creation, design, implementation, and result. **"My Mother and I: Our Journey,"** led by Emily Burton, Oral Historian, is a series of oral history interviews, a video, and an event for International Women's Day that included panel discussions, a question and answer session, and reception.

The three mother and daughter pairs brought to life their Canadian immigration experiences in ways that not only deeply touched the participants, but also the audience in the sold-out crowd in Bronfman theatre.

This project highlights the one-of-a-kind oral history collection of the Museum. It brings diversity to the centre of the research process at the Museum, and leads the way for other national institutions in meaningful community outreach and inclusion.

Participant Omaira Eva Ospino:

"In addition to helping other women immigrants in similar situations, this project enriched our personal lives, brought us closer as family and most importantly, will allow to our future generations to better understand their roots and rational behind our decision."



Three generations: Yuminary Bryson, Nina Cardenas, Omaira Ospino



Charisma Grace and Joelle Buchanan

MANAGEMENT DISCUSSION AND ANALYSIS

The Canadian Museum of Immigration at Pier 21 (the Museum) is a federal Crown corporation wholly owned by the Government of Canada. As set out in the *Museums Act*, its purpose is to *explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada's culture, economy and way of life.*

The Museum's operations are divided into three core responsibilities, as well as internal services, to support the overall strategic outcome derived from its mandate. These responsibilities are:

- a) Visitor experience and connections: Canadians have access to – and are engaged in building – museum content and programming that reflects the diverse experiences and contributions of immigrants throughout Canada's history.
- b) Accommodation: The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for visitors, staff and volunteers; and are maintained in a cost-effective manner.
- c) Fundraising and commercial activities: The Museum's fundraising and commercial activities provide essential financial support.
- d) Internal services: Sound governance practices are in place and resources are effectively managed to support the achievement of the Museum's mandate.

PERFORMANCE AND OUTLOOK

The Canadian Museum of Immigration at Pier 21 had a strong year in 2019-20, achieving targets in almost all areas before the COVID-19 pandemic closed the Museum on March 14, 2020. Paid visitation, facility rentals and attendance at Museum events and programs all exceeded target and favourably impacted self-generated revenues despite the closure of the Museum for three days during the September busy season due to Hurricane Dorian. Fund development, particularly through major gifts, continues to be a key priority for revenue generation. Although below target for the year, three new major gifts were secured in 2019-20.

Since becoming a Crown corporation in 2010, the Museum has been working hard to transform to a national scope – one that tells the stories of immigration across Canada. In the 2015-16 fiscal year, the Museum completed a five-year capital and thematic expansion enabling it to deliver on its national mandate. In 2019-20, the Museum continued to build its national scope and reach.

Key activities in 2019-20:

- Innovative approaches to audience attraction and audience engagement, both onsite and online, continued to be key priorities. This included enhanced programming; strategic marketing, communications and partnership efforts to expand reach, grow awareness and attract visitors; and digital engagement via the website and via social media. These efforts resulted in visitation growth both onsite and online, national and international media attention, and high levels of visitor satisfaction.
- The Museum's second travelling exhibition, ***Refuge Canada***, began its national tour in Brampton, Ontario in June 2019. This moving exhibition explores the forces and events that drive people from their homes and shares their stories

of loss, fear, and hope on their often dangerous journeys to their new life in Canada. **Refuge Canada** will tour across the country through 2024.

- Work to catalogue the Collection and make it available online continued, with significant milestones being achieved. The Collection will continue to grow with stories, oral histories and images continually being added, reflecting the diversity of the immigration experience and producing a rich resource for all Canadians.
- The Museum completed and published a book on Pier 21, documenting and sharing the important history of this national historic site where more than one million immigrants began their life in Canada. The official book launch will happen in 2020-21.
- A project to redesign the Contributions Zone of the Canadian Immigration Hall commenced in 2019-20 and the conceptual design was completed by year-end. The redeveloped space featuring a new immersive experience is planned to open to the public in spring 2021.

The Museum currently has 55 full time equivalent positions, this is one less than the forecasted full complement. There were no new full-time positions created in 2019-20 and none are forecast. The Museum is undergoing a unionization process with the Service Employees International Union Local 2, Brewery, General and Professional Workers' Union. Certification took place on March 12, 2019 and collective bargaining has not commenced. Full-time and part-time Museum staff will be unionized, with the exception of 17 employees who are managerial exclusions. It is too early to say what the potential impacts may be on the organization.

The Museum has completed its first special examination by the Office of the Auditor General. The examination covered the period from October 2018 to May 2019. The special examination report was presented to the Board

of Trustees in April of 2020, made public in May 2020 and will be tabled in Parliament later in the year. The Museum has developed an action plan to address the recommendations.

It is too early to fully predict the impact of COVID-19 on the Museum's operations going forward. An enhanced digital presence, strong financial position, and an innovative and engaged group of employees will be significant assets.

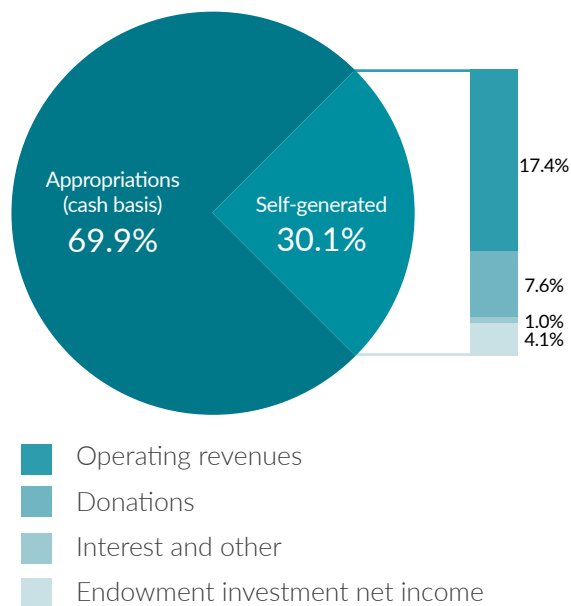
FINANCIAL RESULTS

Operations

The operating results for the year yielded a net profit of \$924,000. When combined with \$4,089,000 in unrestricted net assets from 2018-19, this results in unrestricted net assets at March 31, 2020 of \$5,013,000.

The funds available for the operations of the Museum are parliamentary appropriations and self-generated revenues, which include operating revenue, donations, interest and other, and endowment investment net income.

2019-20 Source of Operating Funds



On an accrual basis, appropriations increased \$9,000 for the year ended March 31, 2020, from \$9,982,000 to \$9,991,000. The Museum received its on-going operating appropriation base of \$7,700,000 as approved by Parliament plus \$105,000 for the compensation allocation adjustment. The remaining \$2,186,000 reflected in appropriations for the year ended March 31, 2020 is the amortization of deferred contributions related to capital assets.

Operating revenues, donations, and interest and other revenues were \$2,897,000 for the year ended March 31, 2020, compared to \$3,259,000 in 2018-19. Operating revenues include exhibition hall ticket sales, hall rentals, programming, special events, gift shop and Scotiabank Family History Centre sales. The decrease is mainly due to lower donations and lower operating revenues from ticket sales, gift shop and rentals.

More than 66,000 paid visitors came to the Museum in 2019-20, representing a decrease of 5,000 visitors compared to the prior year which had a record number of visitors. In September 2019, during its busy season, the Museum had to close for three days due to hurricane Dorian and its impact. In mid-March 2020, the Museum had to close indeterminately due to concerns about COVID-19 and restrictions put in place by the province of Nova Scotia.

During the fiscal year, the Museum tendered its investment advisory services for the endowment fund. In July 2019, the Museum retained the services of a new investment consultant. By the end of November 2019, all investments had been liquidated and funds transferred to the new investment consultant. For the year ended March 31, 2020, net income earned on the endowment investments of \$459,000 is included in the Statement of Operations. At March 31, 2020, the endowment investments had unrealized losses of \$452,000 compared to unrealized gains of \$141,000 in 2019. Unrealized gains and losses on investments are not recorded as revenue but as accumulated remeasurement gains or losses in

the Statement of Financial Position. A net decrease in the accumulated remeasurement gains of \$593,000 was recorded for 2019-20, which results in an overall net negative performance for the endowment investments of \$134,000 compared to a net positive performance of \$183,000 for 2018-19. At March 31, 2020, unrealized losses were primarily due to the uncertainty in the markets following the COVID-19 pandemic. In April 2020, the endowment portfolio recovered some of the unrealized losses recorded at March 31, 2020.

Expenses for the year ended March 31, 2020 were lower than 2019, from \$12,840,000 in 2018-19 to \$12,516,000 in 2019-20 and were lower than budgeted. The \$324,000 decrease is mainly due to the decrease in exhibitions and programming costs of \$297,000. The fiscal year 2018-19 included additional costs for the development of the Museum's new travelling exhibit *Refuge Canada*. This accounts for most of the decrease. Other smaller increases and decreases in expenses make up the balance.

FINANCIAL POSITION

Assets decreased by \$1,676,000 to \$25,681,000 at March 31, 2020, due primarily to the decrease in capital assets of \$1,909,000 offset by the increase in cash of \$324,000. The decrease in capital assets is primarily due to amortization. The increase in cash is mainly due to the net results of operations.

Endowment cash and investments were \$8,753,000 at March 31, 2020, compared to \$8,770,000 in 2019. The \$17,000 decrease consists of endowment contributions received of \$117,000 and the \$134,000 negative performance of the endowment fund for the year.

Total liabilities decreased by \$2,124,000 to \$12,361,000 at March 31, 2020, primarily due to a \$2,179,000 net decrease in deferred contributions related to capital assets attributable mainly to the amortization.

Net assets include the unrestricted net assets and the net assets related to the endowment fund. The unrestricted net assets increased by \$924,000 to \$5,013,000 at March 31, 2020, due to this year's net results of operations. The net assets related to the endowment fund of \$8,307,000 at March 31, 2020 include the cumulative endowment contributions of \$8,407,000, the accumulated remeasurement net losses of \$452,000 and the internally restricted net assets of \$352,000. The cumulative endowment contributions include any recapitalization of income made in prior years. Total endowment net assets decreased by \$476,000 at March 31, 2020, due to the decrease in accumulated remeasurement gains of \$593,000 offset by \$117,000 in contributions received.

BUSINESS RISKS

Financial Risks

The COVID-19 outbreak has, and will continue to have, a negative impact on our results of operations. The Museum temporarily closed its doors to the public on March 14, 2020 which curtailed its operating revenue. Most operations have continued or adapted to digital delivery during the period of closure.

The endowment fund also saw a decline in value due to the fluctuations in the financial market which were recorded in the March 31, 2020 financial statements. However, the capital funds are held in perpetuity, so liquidity is not an issue; a reserve had been established to cover the annual requirements in times where the endowment does not generate the annual income required.

Given the uncertainty around the extent and duration of COVID-19, we cannot estimate the full impact on our future results of operations and financial position. The Museum is actively monitoring the situation and is committed to take the action necessary to mitigate risks.

The risk of a hurricane, or other significant event, is also an ongoing concern due to the Museum's location and the increasing risk of climate change related events.

The Museum is exposed to a variety of financial risks related to its activities and to its endowment cash and investments. These risks include credit risk, liquidity risk and market risk (foreign currency, interest rate and other price risks).

In accordance with the Museum's Investment Policy approved by the Board, the capital of the endowment funds is protected in perpetuity and the Museum can only draw upon the endowment earnings to fund educational and public programming, national outreach, travelling exhibitions, exhibition development and other similar priorities of the Museum. The overall investment objective is to provide sufficient liquidity to meet the annual anticipated spending requirements, allowable from endowment earnings, while providing adequate growth to maintain the purchasing power of the endowment funds' capital.

The Board and management are committed to prudent management of the endowment funds resources. The Museum is assisted in the oversight and management of its portfolio by an Investment Sub-Committee with financial expertise. In order to manage risk, the Museum utilizes the services of an investment consultant and invests in a diversified portfolio. As the investment markets continue to evolve, the Investment Sub-Committee works with the investment consultant to determine the best asset mix to meet the overall acceptable risk of the portfolio. The current Investment Policy, approved by the Board in July 2019, sets target allocations allowing asset class allocations to vary within a specified range.

The Board and management have determined that all current financial risks for the endowment fund are at an acceptable level. A detailed analysis of the financial risks is provided in the notes to the financial statements.

Other Business Risks

Payments in Lieu of Taxes (PILT) does not yet represent a significant financial pressure for the Museum, as is the case for other national museums. PILT, a non-discretionary fixed cost, is compensation paid to municipalities for the losses of property taxes incurred for Crown-owned properties, which are not subject to taxation. In 1996, Treasury Board approved a management regime that devolved the responsibility for funding PILT from Public Works and Government Services Canada (PWGSC) to individual organizations. Unlike PWGSC, most departments, agencies and Crown corporations did not receive the authority to seek annual adjustments in their appropriation to reflect PILT increases. It was anticipated that this could eventually pose challenges to small cultural organizations like museums.

The Museum does not own the Pier 21 premises but leases from the Halifax Port Authority, a related party. In 2015-16, the Museum saw a significant increase in annual rent as per the 40-year lease agreement negotiated on behalf of the Museum with the additional space, and it will continue to increase over the period of the lease. This represents a significant pressure for the Museum that is not covered by operating appropriations.

Given the uncertainty around the extent and duration of COVID-19, we cannot estimate the full impact on our future results of operations and financial position. Major gift philanthropy represents more than \$1 million a year for the next five years to attain current budgets. An ambitious fundraising campaign was launched in 2019-20 to raise \$5 million in major gift commitments by December 2020 to achieve this target. The impact of COVID-19 on operating revenues and philanthropy is not known but may pose significant challenges to the attainment of these goals. The Museum is committed to financial sustainability and continues to work on plans to maximize revenue generation and minimize costs.

FINANCIAL STABILITY AND CAPACITY TO GENERATE REVENUES

The Museum is in a good financial position, and has a history of, and commitment to, fiscal prudence. The Museum's planning has shown it to have sufficient funds for the next five years but it will face financial pressures in the longer term. Since 2015-16, personnel costs and the non-discretionary costs for the facilities (rent, PILT, utilities, repairs and maintenance) exceed the amount of appropriations. This means that all funds for programming and other operating expenses, and some capital requirements, must be covered by self-generated revenue.



Financial Statements of

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2020

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Management has prepared the financial statements contained in this annual report in accordance with Canadian public sector accounting standards applicable to government not-for-profit organizations, and the integrity and objectivity of the data in these financial statements are Management's responsibility. The financial statements include some amounts that are necessarily based on Management's estimates and judgment. Financial information presented throughout the annual report is consistent with the financial statements.

In discharging its responsibility for the integrity and fairness of the financial statements, Management has developed and maintains books of account, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of the financial information; that assets are safeguarded and controlled; and that transactions are in accordance with Part X of the *Financial Administration Act* (FAA) and regulations, the *Museums Act*, the Museum's by-laws and the directive issued pursuant to section 89 of the FAA.

The Board of Trustees is responsible for ensuring that Management fulfills its responsibilities for financial reporting and internal control. The Board has established an Audit and Risk Oversight Committee in compliance with section 148 of the FAA. Management does not sit on the Audit and Risk Oversight Committee; however the Committee meets with Management, the Museum's internal auditor and the independent external auditor to review the manner in which the responsibilities for financial statements are being performed and to discuss auditing, internal controls and other relevant financial matters. The Audit and Risk Oversight Committee has reviewed the financial statements with the external auditor. On the recommendation of the Audit and Risk Oversight Committee, the Board has approved the financial statements contained in this report.

The Museum's external auditor, the Auditor General of Canada, audits the financial statements and reports to the Minister of Canadian Heritage, who is accountable to Parliament for the Canadian Museum of Immigration at Pier 21.



Marie Chapman
Chief Executive Officer



Kendall J. Blunden, CPA, CA
Chief Financial Officer

June 18, 2020



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

INDEPENDENT AUDITOR'S REPORT

To the Minister of Canadian Heritage

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Canadian Museum of Immigration at Pier 21 (the Museum), which comprise the statement of financial position as at 31 March 2020, and the statement of operations, statement of remeasurement gains and losses, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Museum as at 31 March 2020, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

Those charged with governance are responsible for overseeing the Museum's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Museum's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Museum's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Museum to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of the Canadian Museum of Immigration at Pier 21 coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are Part X of the *Financial Administration Act* and regulations, the *Museums Act* and regulations, the by-laws of the Canadian Museum of Immigration at Pier 21, and the directive issued pursuant to section 89 of the *Financial Administration Act*.

In our opinion, the transactions of the Canadian Museum of Immigration at Pier 21 that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act*, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for the Canadian Museum of Immigration at Pier 21's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Canadian Museum of Immigration at Pier 21 to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.

A handwritten signature in black ink that reads "Math Le Sage". The signature is written in a cursive, flowing style.

Mathieu Le Sage, CPA, CGA
Principal
for the Auditor General of Canada

Halifax, Canada
18 June 2020

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Financial Position


As at March 31, 2020
(in thousands of dollars)

	2020	2019
Assets		
Current assets		
Cash	\$ 4,831	\$ 4,507
Accounts receivable (note 3)	225	311
Inventory	136	126
Prepaid expenses	271	269
	5,463	5,213
Endowment cash and investments (note 9 a)	8,753	8,770
Capital assets (note 4)	11,464	13,373
Collections (note 5)	1	1
	\$ 25,681	\$ 27,357
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	\$ 775	\$ 686
Deferred revenue (note 7)	175	209
Deferred contributions related to capital assets (note 8)	11,411	13,590
Net assets		
Unrestricted	5,013	4,089
Internally restricted (note 10)	352	352
Accumulated remeasurement gains (losses)	(452)	141
Endowment (note 9 b)	8,407	8,290
	13,320	12,872
	\$ 25,681	\$ 27,357


Contractual obligations (note 12)

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

On behalf of the Board of Trustees:



Robert Vineberg
Chair of the Board of Trustees



Bruce Manion, FCPA, FCMA
Vice-Chair of the Board of Trustees

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Operations

For the year ended March 31, 2020

(in thousands of dollars)

	2020	2019
Revenues		
Operating (schedule 1)	\$ 1,942	\$ 2,039
Amortization of deferred contributions related to capital assets received from a related party (note 8)	93	93
Donations	847	1,131
Interest and other	108	89
	<u>2,990</u>	<u>3,352</u>
Expenses (schedule 2)		
Visitor experience and connections	4,047	4,485
Accommodation	4,953	4,961
Fundraising and commercial activities	1,207	1,237
Internal services	2,309	2,157
	<u>12,516</u>	<u>12,840</u>
Net result of operations before appropriations and endowment investment net income	(9,526)	(9,488)
Appropriations (note 11)	9,991	9,982
Endowment investment net income (note 9)	459	257
Net result of operations	<u>\$ 924</u>	<u>\$ 751</u>

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Remeasurement Gains and Losses

For the year ended March 31, 2020

(in thousands of dollars)

	2020	2019
Accumulated remeasurement gains, beginning of year	\$ 141	\$ 215
Realized gains on endowment investments reclassified to operations	(400)	(79)
Unrealized gains (losses) on endowment investments	(193)	5
Accumulated remeasurement gains (losses), end of year	\$ (452)	\$ 141

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Changes in Net Assets

For the year ended March 31, 2020

(in thousands of dollars)

	Unrestricted	Internally restricted	Accumulated remeasurement gains (losses)	Endowment	2020	2019
Net assets, beginning of year	\$ 4,089	\$ 352	\$ 141	\$ 8,290	\$ 12,872	\$ 12,161
Net result of operations	924	–	–	–	924	751
Transfer to (from) (note 10)	–	–	–	–	–	–
Remeasurement gains (losses)	–	–	(593)	–	(593)	(74)
Contributions received for endowment (note 9 b)	–	–	–	117	117	34
Net assets, end of year	\$ 5,013	\$ 352	\$ (452)	\$ 8,407	\$ 13,320	\$ 12,872

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Cash Flows

For the year ended March 31, 2020

(in thousands of dollars)

	2020	2019
Operating activities		
Appropriations received	\$ 7,805	\$ 7,821
Cash received from clients and donors	3,303	3,333
Cash paid to suppliers	(4,431)	(4,758)
Payments related to salary and benefits	(5,770)	(5,778)
Interest received	105	86
	1,012	704
Capital activities		
Acquisition of capital assets	(329)	(203)
	(329)	(203)
Investing activities		
Acquisition of endowment investments	(17,938)	(1,353)
Disposal of endowment investments	17,362	1,062
	(576)	(291)
Financing activities		
Appropriations received for the acquisition of capital assets	100	420
Contributions to endowment	117	34
	217	454
Increase in cash	324	664
Cash, beginning of year	4,507	3,843
Cash, end of year	\$ 4,831	\$ 4,507

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

1. Authority, objectives and operations

The Canadian Museum of Immigration at Pier 21 (the "Museum") was established on November 25, 2010 under the *Museums Act*. The transfer and assignment of assets, contracts and records from the Pier 21 Society and Pier 21 Foundation occurred on February 3, 2011. The Museum is an agent Crown corporation named in Part I of Schedule III of the *Financial Administration Act* and is not subject to the provisions of the *Income Tax Act*.

The Museum's mandate is to explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and the contributions of immigrants to Canada's culture, economy and way of life.

The Museum's operations are divided into three core responsibilities, as well as internal services, to support the overall strategic outcome derived from its mandate. These responsibilities are:

- a) Visitor experience and connections: Canadians have access to – and are engaged in building – museum content and programming that reflects the diverse experiences and contributions of immigrants throughout Canada's history.
- b) Accommodation: The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for visitors, staff and volunteers; and are maintained in a cost-effective manner.
- c) Fundraising and commercial activities: The Museum's fundraising and commercial activities provide essential financial support.
- d) Internal services: Sound governance practices are in place and resources are effectively managed to support the achievement of the Museum's mandate.

Travel, hospitality, conference and event expenditures

In July 2015, the Museum, along with other federal Crown corporations, was issued a directive (P.C. 2015-1105) pursuant to section 89 of the *Financial Administration Act* to a) align its travel, hospitality, conference and event expenditure policies, guidelines and practices with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations, and b) to report on the implementation of this directive in the Museum's next corporate plan.

In June 2016, the Museum aligned its policies and practices to the Treasury Board instruments and reported on this directive in its 2016-17 corporate plan.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

2. Summary of significant accounting policies

a) Basis of presentation

The financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

The Museum applies the deferral method of accounting for contributions for not-for-profit organizations.

b) Revenue recognition

i) Appropriations

The Government of Canada provides funding to the Museum through parliamentary appropriations.

Appropriations which are explicitly or implicitly restricted for the purchase of amortizable capital assets are considered contributions related to capital assets and are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations on the same basis and over the same periods as the related capital assets acquired.

Appropriations restricted for specific expenses are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period that those expenses are incurred.

Appropriations that are not restricted to a specific purpose are recognized as revenue in the Statement of Operations in the period for which the appropriation is authorized.

ii) Donations

Donations are comprised of contributions received from non-government entities that are not part of the federal government reporting entity, such as individuals, foundations and corporations.

Unrestricted contributions are recognized as revenue on the Statement of Operations when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenues and offsetting expenses from goods and services donated in-kind are recorded at fair market value upon receipt.

Contributions externally restricted for specific purposes are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period in which the related expenditures are recognized.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

2. Summary of significant accounting policies (continued)

b) Revenue recognition (continued)

ii) Donations (continued)

Endowment contributions are subject to externally imposed restrictions stipulating that the endowment principal be permanently maintained. Endowment contributions are recognized as direct increases in net assets in the period in which they are received consistent with the deferral method of accounting for contributions.

Investment income earned on the general endowment investments is unrestricted, and is recognized as revenue by the Museum in the period earned. Investment income earned may be subsequently internally restricted by the Museum, as approved by the Board of Trustees, to be spent at a later date or to be reinvested for the preservation of capital. Investment income earned on the education endowment is restricted, and may be deferred and recognized as revenue when services are provided.

iii) Operating revenues

Revenues from the Museum's operations include ticket sales for general admission, hall rentals including a percentage of catering sales, gift shop sales, Family History Centre sales, special events and programming including travelling exhibits. They are recognized in the year in which goods are delivered or services are provided.

Funds received by the Museum from museum operations that are not yet earned through the provision of goods or services, are deferred and recognized as revenue when goods are delivered or services are provided.

iv) Contributions related to capital assets

Contributions related to capital assets represent restricted contributions for the acquisition of capital assets. Deferred contributions related to capital assets are amortized to income and over the same periods as the related capital assets acquired.

v) Volunteer services

Volunteers contribute their time to assist the Museum in carrying out its activities. Because of the difficulty in determining fair value, contributed services are not recorded in the financial statements.

vi) Contributed materials

Contributed materials received whereby the fair values are not readily obtainable are not recorded in the financial statements.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

2. Summary of significant accounting policies (continued)

c) Collections

The Museum maintains the collections of stories, artifacts, oral histories and images related to its mandate to explore the theme of immigration to Canada. These collections are developed by various research areas within the Museum.

The Museum's collections are shown at a nominal value of \$1 on the Statement of Financial Position because of the practical difficulties in reflecting them at a meaningful value.

Objects purchased for the collections of the Museum are recorded as an expense in the period of acquisition. Objects donated to the Museum for its collections are not recorded.

d) Inventory

Inventory, which consists of resale goods for the gift shop, is valued at the lower of cost and net realizable value. Cost is determined using the average cost method.

e) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital projects - work in progress are stated at cost and are not amortized. Amortization commences when the assets are ready for their intended use and are transferred to leasehold improvements and core exhibitions.

The cost less the estimated salvage value of capital assets is amortized using the straight-line method and the following rates:

Capital asset	
Leasehold improvements	5 to 15 years
Core exhibitions	10 years
Immigration and ships database	5 years
Equipment	3 to 5 years

f) Employee future benefits

All eligible employees of the Museum are covered by the Public Service Pension Plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Museum to cover current service cost. Pursuant to legislation currently in place, the Museum has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the Museum.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

2. Summary of significant accounting policies (continued)

g) Use of estimates

The presentation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those reported. The estimated useful lives of capital assets and the fair market value of the endowment investments are the most significant items where estimates are used. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period which they become known.

h) Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions.

Monetary assets and liabilities, and non-monetary items included in the fair value measurement category denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the Statement of Remeasurement Gains and Losses. In the period of settlement, realized foreign exchange gains and losses are recognized in the Statement of Operations, and the cumulative amount of remeasurement gains and losses is reversed in the Statement of Remeasurement Gains and Losses.

i) Financial instruments

The Museum has classified all financial assets and liabilities in the fair value category or the cost category. The Museum performs an annual impairment test on financial instruments to determine if any objective evidence of impairment is present. Impairment losses are recognized in the net result of operations in the period in which they arise.

i) Cash

Cash is composed of deposits with financial institutions that can be withdrawn without prior notice or penalty.

ii) Investments

The Museum's endowment investments may be comprised of fund holdings in global equity, as well as fixed income bonds and alternative assets, and are designated in the fair value category. These investments are measured at fair value with unrealized gains or losses from changes in valuation recognized in the Statement of Remeasurement Gains and Losses. Realized gains or losses on the investments are recognized in the Statement of Operations in the period in which they arise. The fair value measurements of these investments are described in Note 15 a).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

i) Financial instruments (continued)

iii) Other financial instruments

The Museum's other financial instruments consist of accounts receivable, and accounts payable and accrued liabilities, and are classified in the cost category. These financial instruments are carried at cost.

j) Related party transactions

i) Inter-entity transactions

Inter-entity transactions are transactions between commonly controlled entities. Inter-entity transactions, other than restructuring transactions, are recorded on a gross basis and are measured at the carrying amount, except for the following:

- Inter-entity transactions are measured at the exchange amount when undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where costs provided are recovered.
- Goods or services received without charge between commonly controlled entities are not recorded.

ii) Other related party transactions

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount. The Museum is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations. Related parties also include key management personnel having authority and responsibility for planning, directing and controlling the activities of the Museum. This includes the Senior Leadership Team, all members of the Board of Trustees and close family members thereof. The Museum enters into transactions with related parties in the normal course of business on normal trade terms applicable to all individuals and enterprises.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020

*(in thousands of dollars)***3. Accounts receivable**

	2020		2019	
Accounts receivable – external	\$	89	\$	120
Accounts receivable – government departments and agencies		136		191
	\$	225	\$	311

Amounts receivable from government departments and agencies are a result of the normal course of business, and are receivable net 30 days and are non-interest bearing.

4. Capital assets

	2020		2020		2019	
	Cost	Accumulated amortization	Cost	Accumulated amortization	Net book value	Net book value
Leasehold improvements	\$ 22,129	\$ 13,922	\$ 21,822	\$ 12,243	\$ 8,207	\$ 9,579
Immigration and ships database	46	46	46	46	–	–
Equipment	940	850	906	813	90	93
Core exhibitions	5,631	2,740	5,631	2,177	2,891	3,454
Capital project - work in progress	276	–	247	–	276	247
	\$ 29,022	\$ 17,558	\$ 28,652	\$ 15,279	\$ 11,464	\$ 13,373

During 2020, no capital assets were written off. During 2019, fully amortized out-of-use equipment with an original book value of \$112 was written off.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

5. Collections

The Museum's collections are shown at a nominal value of \$1 on the Statement of Financial Position because of the practical difficulties in reflecting them at a meaningful value.

During the years ended March 31, 2020 and 2019, the Museum incurred no expenses related to the acquisition of objects for its collections and did not receive any revenues related to the sale of collection items.

6. Accounts payable and accrued liabilities

	2020	2019
Accounts payable and accrued liabilities – external	\$ 715	\$ 607
Accounts payable and accrued liabilities – government departments and agencies	60	79
	<u>\$ 775</u>	<u>\$ 686</u>

Amounts due to government departments and agencies are a result of the normal course of business and are payable on demand and are non-interest bearing.

7. Deferred revenue

Deferred revenue recorded by the Museum at March 31 is as follows:

	2020	2019
Balance, beginning of year	\$ 209	\$ 206
Funds received during the year	521	530
Funds recognized as revenue during the year	(555)	(527)
	<u>\$ 175</u>	<u>\$ 209</u>

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)**8. Deferred contributions related to capital assets**

The changes in the deferred contributions balance for the years ended March 31 are as follows:

	Appropriations	Other contributions	2020
Balance, beginning of year	\$ 12,741	\$ 849	\$ 13,590
Add:			
Appropriations received to acquire capital assets	100	–	100
Less:			
Amortization of deferred contributions related to capital assets	(2,186)	(93)	(2,279)
Balance, end of year	\$ 10,655	\$ 756	\$ 11,411
	Appropriations	Other contributions	2019
Balance, beginning of year	\$ 14,482	\$ 942	\$ 15,424
Add:			
Appropriations received to acquire capital assets	420	–	420
Less:			
Amortization of deferred contributions related to capital assets	(2,161)	(93)	(2,254)
Balance, end of year	\$ 12,741	\$ 849	\$ 13,590

The unused portion of deferred contributions related to capital assets was nil at March 31, 2020 (2019 – \$217). Other contributions were received from a related party, the Halifax Port Authority, as per the lease of the Pier 21 premises for leasehold improvements to the premises.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020

(in thousands of dollars)

9. Endowment

a) Endowment cash and investments

Endowment cash and investments consist of the following:

	2020		2019	
	Cost	Fair value	Cost	Fair value
Cash and short-term investments	\$ 623	\$ 623	\$ 138	\$ 138
Investments				
Fixed income	3,997	4,075	4,702	4,756
Global equity	3,671	3,359	441	440
Alternatives	914	696	3,348	3,436
	8,582	8,130	8,491	8,632
	\$ 9,205	\$ 8,753	\$ 8,629	\$ 8,770

Endowment cash and investments may be reconciled to the endowment component of net assets at March 31 as follows:

	2020	2019
Endowment net assets	\$ 8,407	\$ 8,290
Prior years cumulative endowment investment net income recognized	336	336
Current year endowment investment net income recognized	459	257
Current year preservation of capital	—	(257)
Current year endowment investment net income deferred	3	3
Accumulated remeasurement gains (losses)	(452)	141
Endowment cash and investments (at fair value)	\$ 8,753	\$ 8,770

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

9. Endowment (continued)

b) Endowment net assets

Endowment contributions totaling \$117 (2019 – \$34) were received by the Museum during the fiscal year.

Endowment net assets generated net realized investment income of \$459 (2019 – \$257) of which nil was recorded as a direct increase to the endowment for the preservation of capital (2019 – \$257). At March 31, 2020, the endowment had \$452 of unrealized losses (2019 – \$141 of unrealized gains).

At March 31, the endowment component of net assets consists of the following cumulative contributions:

	2020	2019
Contributions received from Pier 21 Foundation	\$ 4,874	\$ 4,874
Other contributions received for endowment	2,513	2,396
Capital preservation	1,020	1,020
Endowment net assets, end of year	\$ 8,407	\$ 8,290

10. Internally restricted net assets

Internally restricted net assets represent investment income earned on the general endowment that was unspent. The Museum restricts, as approved by the Board of Trustees, amounts to be spent at a later date or for the preservation of capital. In 2020, nil was restricted for the preservation of capital on endowment (2019 – \$257). The amounts are reflected in the Statement of Changes in Net Assets as a transfer from unrestricted net assets to endowment net assets.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

11. Appropriations

To achieve its mandate, the Museum relies on government funding comprised of the following:

	2020	2019
Parliamentary appropriations provided		
Main estimates	\$ 7,905	\$ 8,215
Supplementary estimates	–	26
Previous year's appropriations used in the current year	217	99
Appropriations deferred for future capital projects	–	(217)
Appropriations used to purchase amortizable capital assets	(317)	(302)
	7,805	7,821
Amortization of deferred contributions related to capital assets	2,186	2,161
Appropriations recognized as revenue	\$ 9,991	\$ 9,982

12. Contractual obligations

The Museum has contractual obligations with the Halifax Port Authority, a related party, for the lease of the Pier 21 premises until February 2051. At March 31, 2020, the estimated obligations are as follows:

2021	\$ 1,578
2022	1,611
2023	1,611
2024	1,611
2025	1,611
2026 to 2051	48,551
	\$ 56,573

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

13. Employee future benefits

All eligible employees of the Museum are covered by the Public Service Pension Plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Museum. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The required employer contribution rate depends on the employee's employment start date. For employment start dates before January 1, 2013, the Museum's contribution rate effective at year-end was 1.01 times the employee's contribution (2019 – 1.01); and for employment start dates after December 31, 2012, the Museum's contribution rate effective at year-end was 1.00 times the employee's contribution (2019 – 1.00) for a defined salary threshold. On the portion of salaries above the defined threshold, the Museum is required to contribute on a ratio of 3.8 times the employees' contributions (2019 – 3.79 times). Total employer contributions of \$453 (2019 – \$465) were recognized as an expense in the current year.

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of two percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with the Canada Pension Plan benefits and are indexed to inflation.

14. Related party transactions

In addition to the related party transactions disclosed elsewhere in these financial statements, the Museum incurred expenses totaling \$1,797 (2019 – \$1,797) in rent and related costs and payment in lieu of taxes paid to the Halifax Port Authority which is included under Accommodation expenses.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

15. Financial instruments

a) Fair value measurement hierarchy

All financial instruments must be classified in accordance with the significance of the inputs used in making fair value measurements. The fair value hierarchy prioritizes the valuation techniques used to determine the fair value of a financial instrument based on whether the inputs to those techniques are observable or unobservable:

- i) Level 1 – Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets and liabilities.
- ii) Level 2 – Financial instruments are considered Level 2 when they are valued using quoted prices for similar assets and liabilities, quoted prices in markets that are not active, or models using inputs that are observable.
- iii) Level 3 – Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy of endowment financial assets at March 31 is as follows:

	Level 1	Level 2	Level 3	2020
Financial assets:				
Endowment cash and investments				
Cash and short-term investments	\$ 623	\$ –	\$ –	\$ 623
Investments - Fixed income	2,220	1,855	–	4,075
Investments - Global equity	–	3,359	–	3,359
Investments - Alternatives	276	420	–	696
	\$ 3,119	\$ 5,634	\$ –	\$ 8,753
	Level 1	Level 2	Level 3	2019
Financial assets:				
Endowment cash and investments				
Cash and money market funds	\$ 109	\$ 28	\$ –	\$ 137
Investment funds - Fixed income	4,683	74	–	4,757
Investment funds - Global equity	94	346	–	440
Investment funds - Alternatives	237	3,199	–	3,436
	\$ 5,123	\$ 3,647	\$ –	\$ 8,770

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

15. Financial instruments (continued)

a) Fair value measurement hierarchy (continued)

Cash and short-term investments have a maximum term to maturity of three months and are redeemable on demand without prior notice or penalty. Short-term investments including notes and money market instruments are valued at cost plus accrued interest.

Select fixed income securities, including government and corporate bonds, are held directly in an effort to reduce trading costs. Fair value of the fixed income portfolio investments is measured using the average of the bid and ask prices.

Equity and alternative investments are held through pooled and mutual fund trusts. Global equity assets include long-only equity securities that trade across a range of global exchanges. The fair value of securities which are actively traded are valued at the close price on the recognized stock exchange on which the securities are listed or principally traded. Investments for which reliable quotations are not readily available, or for which there is no closing price, are valued at fair value as determined using the investment consultant's best estimates using appropriate and accepted valuation techniques including valuation models.

Alternative assets provide a lower overall volatility and correlation to traditional equity indices and their objective is to generate positive returns regardless of market conditions. The alternative portfolio includes exposure to Canadian banks, Canadian dividend-paying equities, and European dividend-paying equities, with the mitigation of downside risk using covered call options. Level 1 alternative portfolio investments are valued based on quoted prices in active markets for identical securities. Level 2 alternative portfolio investments are valued based on significant observable market inputs, such as quoted prices in inactive markets or based on observable inputs to models.

During the year ended March 31, 2020, the Museum retained the services of a new investment consultant. All investments were liquidated, the funds transferred to the new investment consultant and reinvested in a new portfolio in line with the Museum's Investment policy.

During the years ended March 31, 2020 and 2019, there were no transfers between levels in either direction.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020

(in thousands of dollars)

15. Financial instruments (continued)

b) Risk management

The Museum is exposed to a variety of financial risks as a result of its activities. These risks include credit risk, liquidity risk and market risk (foreign currency risk, interest rate risk and other price risk).

In accordance with the Museum's Investment policy approved by the Board, the capital of the endowment fund is protected in perpetuity and the Museum can only draw upon the endowment earnings to fund educational and public programming, national outreach, travelling exhibitions, exhibition development and other similar priorities of the Museum. The overall investment objective is to provide sufficient liquidity to meet the annual anticipated spending requirements, allowable from endowment earnings, while providing adequate growth to maintain the purchasing power of the endowment fund's capital.

The Board and management are committed to prudent management of the endowment fund resources, in a manner consistent with the prior year. The Museum is assisted in the oversight and management of its portfolio by an Investment Sub-Committee with financial expertise. In order to manage risk, the Museum utilizes the services of an investment consultant and invests in a diversified portfolio. As the investment markets continue to evolve, the Investment Sub-Committee works with the investment consultant to determine the best asset mix to meet the overall acceptable risk of the portfolio. The current Investment policy, approved by the Board in July 2019, has permissible ranges of 0-10% cash and short-term investments, 40-75% fixed income, 25-60% global equity and 0-30% alternative assets (2019 – permissible ranges of 0-15% cash and money market funds, 50-75% fixed income, 5-20% global equity and 20-40% alternative assets).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020

(in thousands of dollars)

15. Financial instruments (continued)

b) Risk management (continued)

The Museum has identified and assessed its exposure with respect to financial risks as follows:

(1) Credit risk

Credit risk is the risk of financial loss to the Museum associated with a counterparty's failure to fulfill its financial obligations and arises principally from the Museum's cash, endowment cash and investments and accounts receivable. The Museum has determined that its credit risk is not significant.

i) Cash

Cash, other than cash and short-term investments held in the endowment fund, is held in a Canadian chartered bank. The Museum minimizes its credit risk on cash by dealing only with reputable and high quality financial institutions.

ii) Endowment cash and investments

Per the Museum's Investment policy for the endowment fund, endowment investments are to be held in a diversified portfolio of cash and short-term investments, fixed income instruments, global equity and alternative assets through pooled funds and mutual funds.

Through its investments in fixed income, global equity and alternative assets, the Museum is indirectly exposed to the credit risk of the underlying investments of those funds. These risks are managed at the investment manager level. Their objectives are to invest in high quality financial instruments with creditworthy counterparties, by limiting the amount that can be invested in any one counterparty and by using other limits set out in the Museum's Investment policy.

iii) Accounts receivable

The Museum is exposed to credit risk from customers in the amount of \$225 (2019 – \$311) in the normal course of business. The accounts receivable are net of applicable allowance for doubtful accounts, which is established based on specific credit risk associated with individual accounts and other relevant information. Concentration of credit risk with respect to receivables is limited, due to the small value of transactions with parties other than government departments.

As at March 31, 2020, \$1 accounts receivable were past due (over 30 days) (2019 – \$6) of which none (2019 – \$1) were fully provisioned by an allowance for doubtful accounts. The Museum did not classify other accounts receivable as impaired as they generally relate to government clients which are considered low risk with respect to collection.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

15. Financial instruments (continued)

b) Risk management (continued)

(2) Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the Museum's net results of operations or the fair value of its holdings of financial instruments.

i) Foreign currency risk

The endowment investments include \$1,955 (2019 – \$1,368) of underlying investments in fixed income and alternatives classifications containing unhedged foreign currency exposure. The foreign currency risk has been determined to be low to moderate as they represent 22% (2019 – 16%) of the portfolio.

In addition, the funds denominated in Canadian dollars with foreign currency exposure normally enter into forward currency transactions or similar vehicles to insulate the funds from significant price changes due to the change in exchange rates.

In limited instances, the Museum remits certain payments to suppliers denominated in US dollars. At March 31, 2020 and 2019, the Museum did not have any liabilities in a foreign currency which would be exposed to changes in exchange rates. Fluctuations in the Canadian dollar compared to the US dollar would have an insignificant impact on the Museum's net results of operations.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Financial assets and financial liabilities with variable interest rates expose the Museum to cash flow interest rate risk. The interest earned on the cash balance fluctuates because of changes in the market interest rates. The Museum's cash balance and its endowment investments, which include cash and money market funds and fixed income funds, earn interest at fixed rates or have values dependent on interest rates.

The Museum manages its interest rate risk by maintaining a mix of fixed income investments which meet the investment criteria outlined in the Investment policy. The investment consultant monitors exposures to interest rate risk per the Investment policy.

The sensitivity of the cash balance to a 0.25% decrease in the interest rate would be a reduction in interest income of \$12 for the year ended March 31, 2020 (2019 – \$12).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

15. Financial instruments (continued)

b) Risk management (continued)

(2) Market risk (continued)

iii) Other price risk

Other price risk arises when the fair value of equity funds changes due to a decrease in a stock market index or other risk variables. The endowment investments include \$3,359 in funds with underlying equity investments (2019 – \$1,887). In addition, there is \$696 in alternative assets which are correlated to the stock market indices in Canada and Europe. In 2019, \$359 of the endowment's total investments was allocated to alternative strategies and assets without underlying equity positions such as real estate, infrastructure, insurance and commodity strategies.

The sensitivity of the endowment investment is calculated using a 5% decrease in the market prices. At March 31, 2020, if market prices had a 5% decrease with all other variables held constant, the decrease in remeasurement gains and losses for the year would have been \$203 due to the decrease in the fair value of financial assets (2019 – \$190). As a percentage of the total endowment portfolio, such losses would represent a decline of 2.3% (2019 – 2.2%).

(3) Liquidity risk

Liquidity risk is the risk that the Museum will not be able to meet its financial obligations as they fall due.

The Museum manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Museum's reputation. The Museum has determined that the risk is not significant.

As at March 31, 2020, all accounts payable and accrued liabilities of the Museum were due within three months.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2020
(in thousands of dollars)

16. COVID-19 Impact

The COVID-19 outbreak has, and will continue to have, a negative impact on our results of operations. The Museum temporarily closed its doors to the public on March 14, 2020 which curtailed its operating revenue. Most operations have continued or adapted to digital delivery during the period of closure.

The endowment fund also saw a decline in value due to the fluctuations in the financial market which were recorded in the March 31, 2020 financial statements. However, the capital funds are held in perpetuity, so liquidity is not an issue; a reserve had been established to cover the annual requirements in times where the endowment does not generate the annual income required.

Given the uncertainty around the extent and duration of COVID-19, we cannot estimate the full impact on our future results of operations and financial position. The Museum is actively monitoring the situation and is committed to take the action necessary to mitigate risks.

17. Comparative figures

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2020

Schedule 1 – Operating Revenue

(in thousands of dollars)

	2020	2019
Exhibition hall ticket sales	\$ 655	\$ 699
Hall rental	551	584
Gift shop	279	320
Special events	262	261
Family history centre	104	104
Programming	91	71
	\$ 1,942	\$ 2,039

Schedule 2 – Expenses

(in thousands of dollars)

	2020	2019
Personnel costs	\$ 5,924	\$ 5,907
Amortization of capital assets	2,279	2,254
Rent and related costs	1,622	1,622
Repairs and maintenance and building operation	383	414
Utilities	356	353
Marketing, promotion and recognition	329	384
Exhibition and programming	306	603
Operating supplies and services	292	247
Office supplies and administration	252	199
Cost of goods sold	242	290
Travel and hospitality *	229	249
Payment in lieu of taxes	175	175
Professional and special services	127	143
	\$ 12,516	\$ 12,840

* Includes \$19 of hospitality donated in-kind (2019 – \$15). Offsetting revenues of the same amount were recorded under Donations.