

2020 - 2021

ANNUAL REPORT

Canadian Museum of Immigration at Pier 21



Photo by: Wes Gould



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

Canada



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Canada



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MESSAGE FROM THE CHAIR



On behalf of the Board of Trustees, I am pleased to present the 2020-21 Annual Report for the Canadian Museum of Immigration at Pier 21. As evident, throughout this report, the COVID-19 pandemic had a significant impact on the Museum; however much was still accomplished.

Although we could not come together for events, programs or celebrations, we adapted and found ways to offer our programs and share our stories online with those across Canada and beyond. This adaptation to a more digital approach will serve the Museum well as it continues to grow its national reach and impact.

I would like to acknowledge and thank our management, staff and volunteers. You faced many challenges this year, not only due to the COVID-19 pandemic but also due to the terrible mass killing and the sad loss of the crew of the downed RCAF helicopter. Your resilience, creativity and teamwork were evident as you adapted and found new ways to do your job and to fulfill the Museum's mandate.

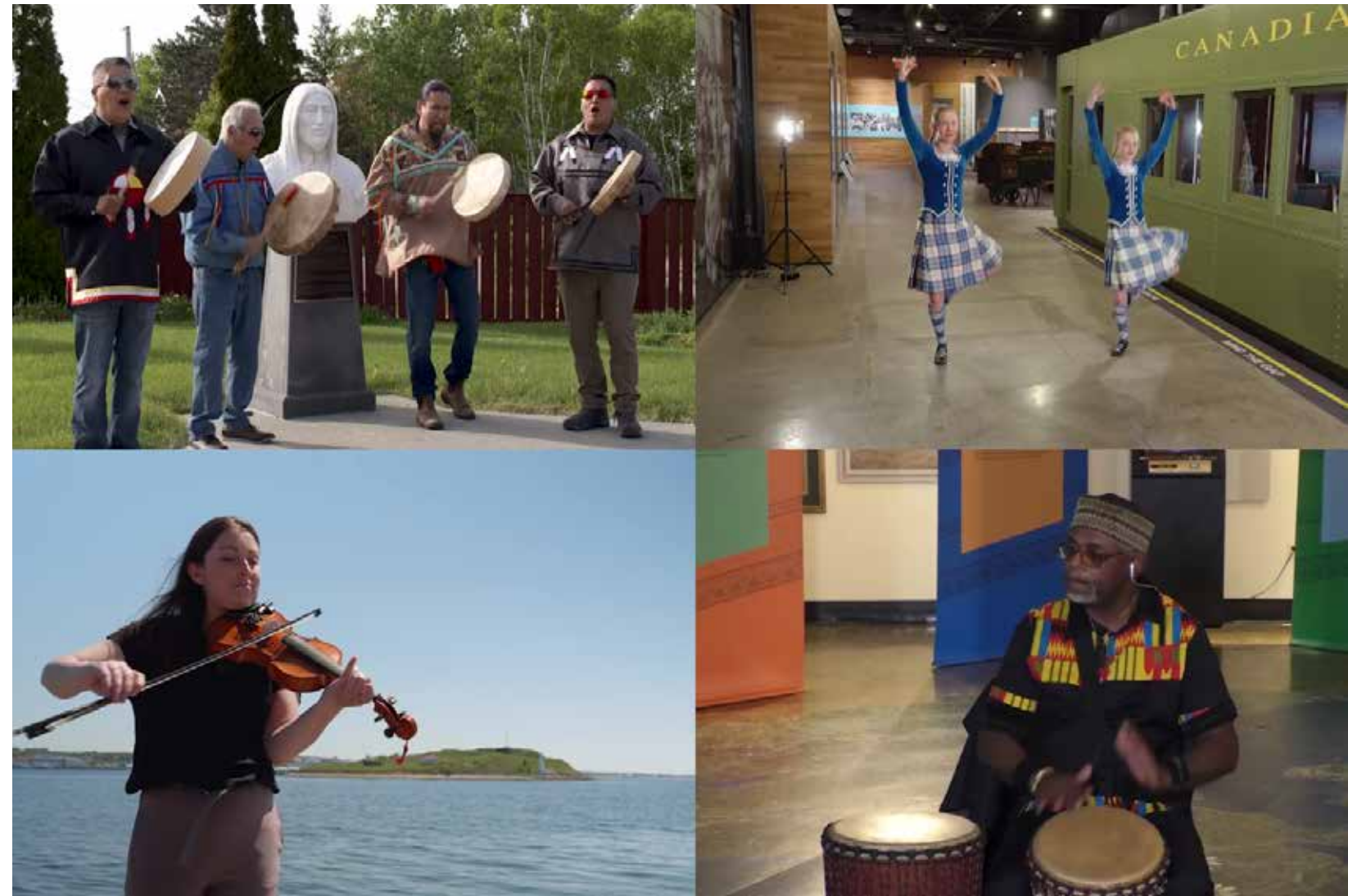
I would also like to thank the Government of Canada for their ongoing support and especially for the COVID-19 relief funding. The Museum's ability to generate operating revenue dropped by more than 95% this year. This relief funding, along with fiscal prudence and the ongoing support of key friends and donors, has enabled the Museum to balance its budget and to continue its work.

We have had an important past and we look forward to an even more important future as the custodian of Canada's immigration stories. These are your stories and mine, old and new, the exceptional and the ordinary, the tragic and the triumphant. The stories of all of those who came to Canada to seek a better life for themselves and their families as well as the stories of those who helped newcomers, from the First Nations who welcomed the first European settlers to those who assist newcomers today. These are the stories that make us who we are as a nation and that illustrate the enormous contributions immigrants have made to Canada's culture, economy and way of life.

I expect that we will face more change in the coming year and beyond, as we emerge from this pandemic. Nevertheless, we will continue to share Canada's immigration stories, just in new and different ways, until we can come together again.

A handwritten signature in black ink that reads "Robert Vineberg".

Robert Vineberg
Chair of the Board of Trustees



MESSAGE FROM THE CEO



It is with a sense of optimism that I present the 2020-2021 Annual Report for the Canadian Museum of Immigration at Pier 21.

Nobody will forget this past year. As I write these words, the world is still grappling with the COVID-19 pandemic, and the aftermath will alter the way we live our lives. It has been a year of immense loss, uncertainty and sadness. It has also been a year of new learnings, deepened connections, innovation and hope.

COVID-19 meant that onsite visitation was dramatically reduced. However, through digital outreach, new partnerships and longtime donors we were able to continue to serve our communities. Our team is agile, creative and deeply committed to the mission. We re-opened to the public on July 9th and then closed on November

25th to comply with the Nova Scotia Health Protection Act. We had already scheduled to close from mid-December until end of March for an upgrade of the Canadian Immigration Hall, and that long planned redevelopment of the Contributions zone did indeed take place.

Our second travelling exhibition, *Refuge Canada*, moved from Nanaimo to Lethbridge and then to Kingston, with several pandemic-related openings and closings in each location. The good news is that we have extended the tour another year, as venues wished to re-book or change dates to ensure visitors could appreciate this thoughtful exhibit. Many thanks to each of the museums who played host – you are wonderful partners.

Our public programs switched to digital platforms, so while we did not experience the joyful noise of our multicultural festival on Canada Day, our programming did receive almost 70,000 views – certainly more than the fire marshal allows in our building! Whether it was Holocaust Remembrance Week, our “Storytellers” series or African Heritage Month, people tuned in to participate. Our education programming also proved popular on digital platforms and I know this will continue; it has been a great joy for our team to interact with students from Nunavut to British Columbia to Newfoundland and points in between.

Tourism and the conference/convention markets will take time to rebound and our operating revenues will reflect that for several years. It is with profound gratitude that I thank the Government of Canada for recognizing this challenge and offering emergency funding to offset a portion of these losses.

It has also been a year when reckoning with generational oppression, racism and the structures that perpetuate these imbalances was brought to the fore. We have embarked on a museum-wide learning journey that will result in institutional change, not just in how we share stories, but in who we hire,

with whom we partner, and how we engage with our audiences. This is a long term, intentional shift, and we will make mistakes along the way, but it is the most important work we can do as a museum of immigration. Our experience in co-creation and with our “Welcome Home to Canada” program shows us that when all the voices are equals at the table amazing things can happen. We will draw on those experiences, learn from others and ensure that we are truly welcoming to all.

A special thanks to our Board of Directors, ably led by Robert Vineberg. It has been a busy year and I am grateful to have an engaged and helpful group of individuals to provide thoughtful oversight.

Our museum is mere metres from the Atlantic Ocean, so sea analogies are part of our life. During this storm, there are no other people I would want in my boat than our incredible team. Nova Scotia had an awful spring of 2020, on top of COVID-19, and many of our team felt those losses acutely. This caring, resourceful, smart and generous of spirit group has been tossed about, but the ship is still on course and we are looking forward to some calm waters!

A handwritten signature in black ink that reads "Marie Chapman". The signature is written in a cursive, flowing style.

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.

Identity Card issued to Pushpa Bashamber Dass, 1972 (D2014.194.1)
RCMP Mountie doll, courtesy of the Saujani Family
Identification Card issued to Pedram Niakan, 2009 (R2017.673.1)

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

There shall be a Board of Trustees consisting of a **Chairperson**, a **Vice-Chairperson** and **not more** than nine other trustees to be appointed by the Minister with the approval of the GIC. 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.

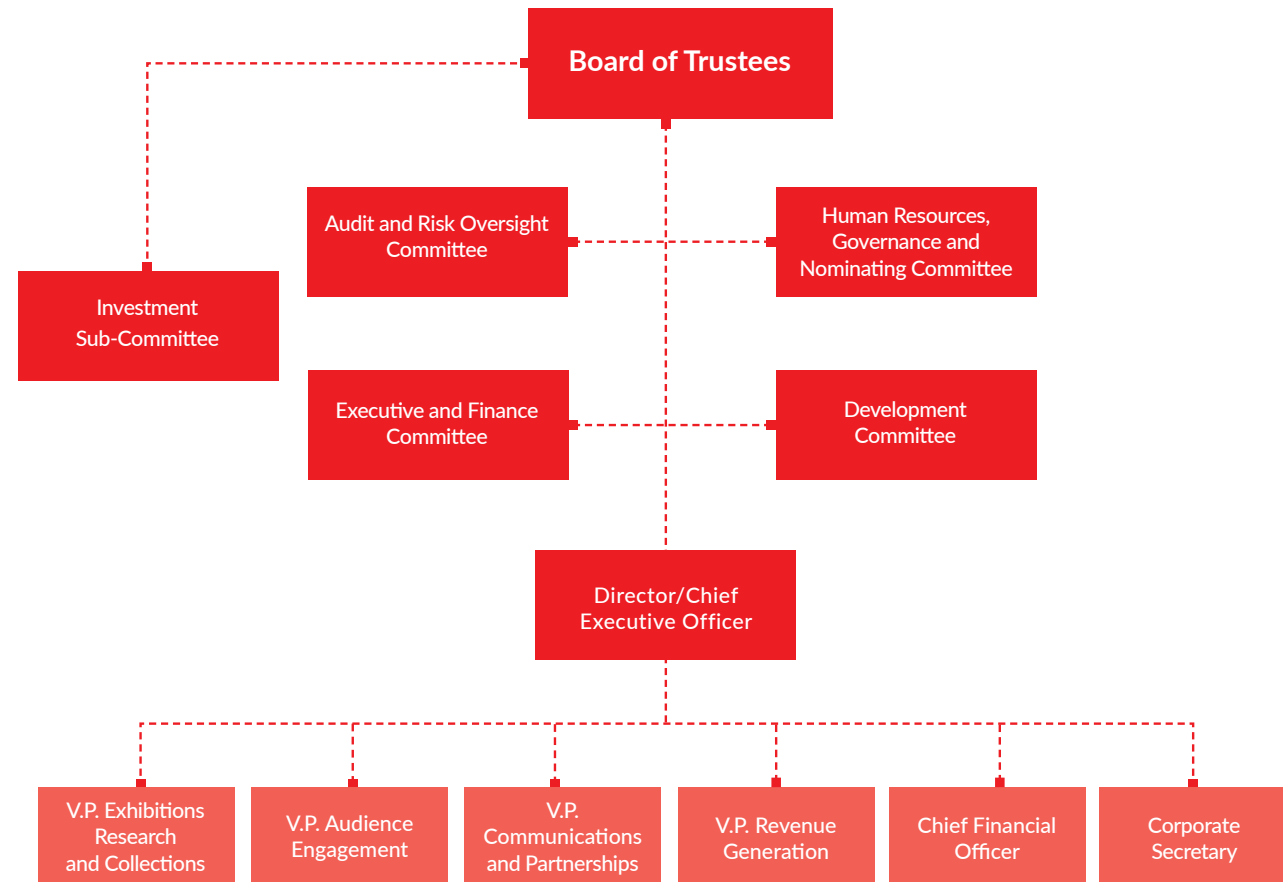
A Development Committee, to provide strategic direction and oversight to the Museum's fundraising and development efforts.

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

Chair	Vice-Chair		
			
Robert Vineberg Winnipeg, MB Term: 12/14/17 to 12/13/21	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 53 full-time equivalent positions at the end of March 2021. 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.

The Museum's strategic direction flows from its mandate and vision to objectives and strategic priorities:

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

Results for the 2020-21 fiscal year are as follows:

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

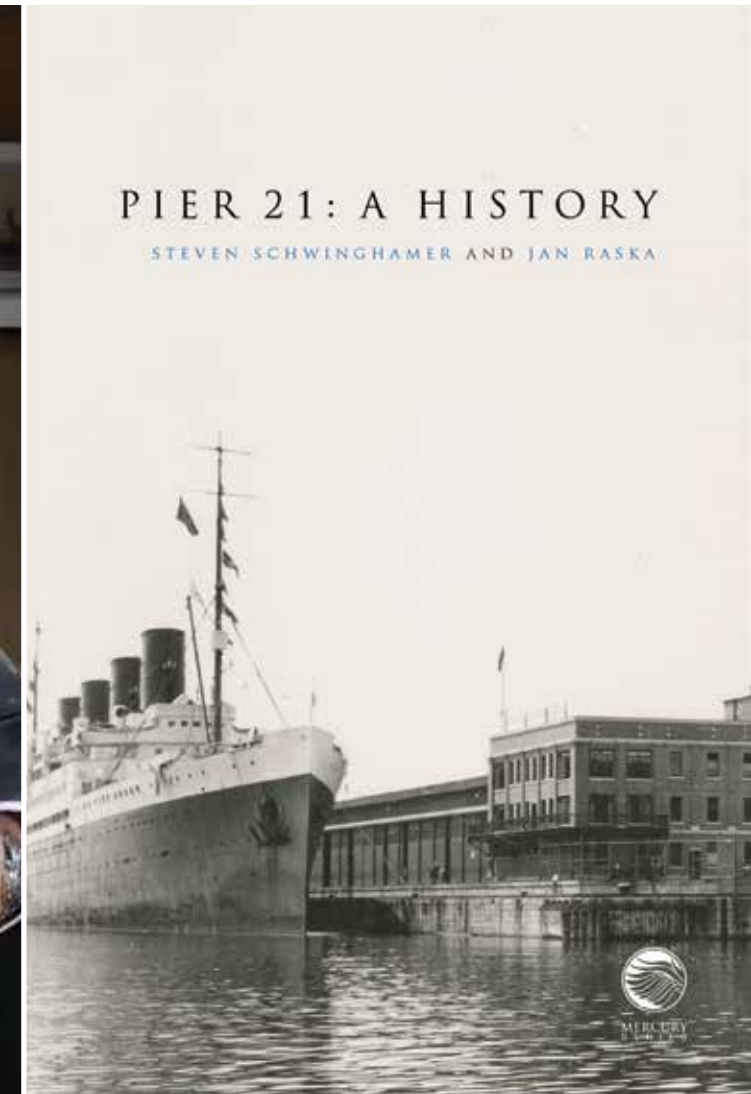
Museum content explores the theme of Canadian immigration, regardless of point of entry, and the contribution of all immigrants to Canada's nation-building.

Key Commitments to March 31, 2021

- Actively collect and share 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 2020-21:
 - 1,820 written story records available online
 - 767 oral history records available online
 - 7,500 digital archival records available online
 - 250 new acquisitions catalogued
- Publish and launch a book on Pier 21.

Complete at March 31, 2021

- 12 oral histories, 272 digital image assets, 28 stories and 27 physical assets were added to the Collection in 2020-21.
- An additional 20 oral history records, 100 written story records, and 500 digital archive records were added to the online Collection, achieving the targets above.
- 388 new acquisitions have been catalogued.
- The book, *Pier 21: A History* was published. The launch event was cancelled due to COVID-19, however a video series was produced instead with five episodes released between October and December 2020 on the Museum's YouTube channel.



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, 2021

- The Contributions Zone of the Canadian Immigration Hall is renovated in response to audience feedback and experiences.
- The Museum's second travelling and temporary exhibition, *Refuge Canada*, 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, 2021

- The Contributions Zone renovation was completed on time and on budget and reopened to the public in early April 2021. The new multimedia experience features an immersive 10-minute film that showcases the achievements and contributions of over 100 remarkable first and second generation immigrants to Canada. It will be complimented by a digital version which will launch in 2021-22.
- The national tour of the travelling exhibition *Refuge Canada* continued with a longer than planned stay at the Nanaimo Museum in Nanaimo, BC (January to early September 2020) and then moving to the Galt Museum & Archives in Lethbridge, Alberta (late September 2020 to January 2021). The Museum developed tools to support the installation and de-installation virtually. The exhibition will continue to tour through 2024, reaching nine locations across Saskatchewan, Ontario, New Brunswick and British Columbia.
- Content development has commenced for the Museum's third travelling exhibition, *Inclusion Exclusion*. The exhibition will be launched onsite in 2024-25 and begin travelling to sites across Canada in 2025-26.
- Due to COVID-19, onsite programming was modified to online platforms. The Museum offered 17 virtual public programs with more than 81,000 participants.



VISITOR EXPERIENCE

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

Key Commitments to March 31, 2021

- Build on the opportunities presented by the expanded Museum to attract new and repeat visitors.
- 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, 2021

- COVID-19 closed the Museum for much of 2020-21 and when it was open, onsite visitation was minimal. 1,553 paid visitors and 605 students experienced the Museum onsite in 2020-21. More than 1,000 students participated in the new virtual school group program.
- For those that did visit the Museum in person, guided group tours were reduced and visitors were encouraged to explore the galleries on their own utilizing a new interactive Pier 21 app.
- Onsite public health measures were implemented including increased cleaning and disinfection, capacity limits for all Museum spaces, additional directional signage to guide visitors through the Museum while adhering to social distancing protocols, the requirement to wear a mask and hand sanitization stations throughout the Museum.
- The Scotiabank Family History Centre continued to offer its expert genealogical research services online while the Museum was closed, and both onsite and online once the Museum reopened, serving 577 onsite visitors and fulfilling more than 4,000 online and email requests.
- The visitor satisfaction survey was cancelled for 2020-21.
- The museum's fifth Artist-in-Residence program was modified, with the budget split between the three applicants (\$5,000 per artist). Although small, this contribution was significant to the recipients during a challenging time for local artists.



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, 2021

- 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 7,500 social media interactions are achieved.
- Continue the blogger relations and travel writer outreach program reaching 10 bloggers and 20 travel writers in 2020-21.
- Launch the Museum's first podcast.

Complete at March 31, 2021

- 1,943 media mentions and targeted potential earned media reach of 717 million.
- Digital engagement strategies increased Twitter followers by 19%, Instagram followers by 25%, and generated 459,000 social media interactions. Web visitation increased from 489,039 unique visitors in 2019-20 to 587,163 unique visitors in 2020-21.
- 2,121 new subscribers to the monthly e-newsletter.
- Outreach to bloggers and travel writers and other media continued despite the lack of travel. 15 bloggers and writers featured the Museum, some more than once.
- The Museum's first podcast series, *Countless Journeys*, was launched featuring hosts Mark Sakamoto and Kim Thuy sharing many unique stories of journey and arrival.



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, 2021

- 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 First Nation to help ensure exhibits and programming continue to be respectful and inclusive.

Complete at March 31, 2021

- Partnerships in 2020-21 included Symphony Nova Scotia, the Halifax Black Film Festival, Peace by Chocolate, Nimbus Publishing, Develop Nova Scotia, the Migration Museum Network, Neptune Theatre, Ancestry.com, Winterlude, Conseil scolaire acadien provincial, Halifax Office of Diversity and Inclusion, Azrieli Foundation, Emerging Lens Film Festival, Atlantic Jewish Council, Alliance Française, Consulat Générale de France à Moncton et Halifax, Ocean Frontier Institute, Richmond Public Library, ISSofBC, Richmond Division of Family Practice Community, Mental Wellness Association of Canada, S.U.C.C.E.S.S., Halifax Regional Centre for Education, Discovery Centre, Halifax Civic Events, Halifax Public Libraries, Jamaican Cultural Association of Nova Scotia.
- Other multi-year partnerships include:
 - *The Chyssem Project*, celebrating the 50 year story of Tibetan-Canadians.
 - *Hearts of Freedom*, Canadian South East Asia Refugee Historical Research Project with Carleton University, the Canadian Immigration Historical Society, University of Winnipeg, Vietnamese Canadian Federation, and the Canadian Museum of History amongst others.
 - *Landscapes of Injustice*, exploring the dispossession of Japanese Canadians as part of their forced displacement and internment in the 1940s. Partners include the Nikkei National Museum & Cultural Centre, National Association of Japanese Canadians, the University of Victoria, the Royal British Columbia Museum, and the University of Alberta amongst others.
- The Museum produced a five-minute video highlighting multiple performers and two iconic songs: *The Mi'kmaq Honour Song* and *Rise Again* for the Oh Canada! virtual Canada Day celebration organized by Canadian Heritage. The video was viewed by more than 72,000 people across various platforms.
- Continue to work with the Assembly of Nova Scotia Mi'kmaw 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, 2021

- 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, 2021

- A project to renovate the Contributions zone of the Canadian Immigration Hall was completed in 2020-21 and reopened to the public in Q1 2021-22. During this period, the Museum made other changes to support public health measures including touchless doors, changes to the exhibition listening areas to make them hands-free, and other physical modifications that support both accessibility and visitor experience.
- The Rick Hansen Foundation completed an accessibility audit of the Museum and office spaces granting the Museum a passing grade and suggesting areas for future improvement.



CORE RESPONSIBILITY 3:

FUNDRAISING AND COMMERCIAL ACTIVITIES

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, 2021

- The initial target of \$3.100 million in self-generated revenue for 2020-21 was reduced to \$490,977 to reflect the anticipated impact of COVID-19 on all areas of revenue generation. This included a decrease in the fund development target to \$292,000 from \$1.44 million.

Complete at March 31, 2021

- Achieved net self-generated revenues of \$639,300. This includes \$404,200 from fund development and \$72,400 from operating revenue.
- A campaign to raise \$5 million in new major gifts commitments by December 2020 has been delayed to December 2022.



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, 2021

- 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, 2021

- Corporate plan commitments are incorporated in all employee performance plans with results measured via the annual performance management program.
- 90% of employees participated in professional development and education opportunities.
- COVID-19 restricted the role of volunteers, however 53 volunteers provided more than 830 hours of service to the Museum in 2020-21.
- The *Welcome Home to Canada* program was reduced to three participants for the year.



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

In response to the COVID-19 pandemic and restrictions put in place by the province of Nova Scotia, the Museum closed its doors to the public on March 14, 2020 and reopened on July 7, 2020. In accordance with the provincial public health directive, the Museum had to close again to the public on November 25, 2020; a few weeks earlier than the planned closure in mid-December for renovations. The Museum remained closed for the remainder of the fiscal year while the renovations to the Contributions Zone of the core exhibition were completed.

The COVID-19 pandemic had a significant impact on all areas of the Museum, especially its ability to generate revenue which was reduced by approximately 82 percent in 2020-21. Paid visitation was less than 5 percent of previous levels, facility rentals were virtually eliminated and fund development was significantly impacted. Fortunately, the Museum received COVID relief funding of \$2.050 million from the Government of Canada which supported its operations and reopening expenses, helped offset lost revenues and ensured its financial stability for the current year.

Despite the many impacts of the pandemic, much was accomplished in the 2020-21 fiscal year.

- An enhanced digital and online presence quickly became a priority and key activities included enhanced web content, virtual Canada Day activities, online public and education programs, and the launch of the Museum's first podcast series, **Countless Journeys**. The Museum's digital presence will continue to be a key focus for audience attraction and engagement.
- The national tour of the travelling exhibition **Refuge Canada** continued. The Museum developed ways to support the installation and de-installation virtually and as it visited sites in British Columbia and Alberta. The exhibition supports smaller museums

at a crucial time and plays a key role in supporting the delivery of the national mandate.

- Work to catalogue the Collection and make a selection available online also continued. 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 project to redesign the Contributions Zone of the Canadian Immigration Hall was completed. The new immersive, multimedia experience showcases the contributions of over 100 remarkable first and second generation immigrants to Canada and will be a significant draw for visitors when the Museum reopens.

The Museum currently has 55 full time positions at the end of March 2021, with two vacancies at the end of the fiscal year. There were no new full time positions created in 2020-21 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 is underway. 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 completed its first special examination in March of 2020, covering the period from October 2018 to May 2019. The report was tabled in November 2020 and is available on the Museum's website. The Office of the Auditor General examined the Museum's systems and practices in the areas of governance; strategic and operational planning; collection management, exhibitions and public programs. The Office of the Auditor General made eight recommendations for improvement in the areas

of collection development and management, risk management, operational planning, governance and board training. The Museum has accepted these recommendations and has developed an action plan in response with work underway.

It is difficult 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.

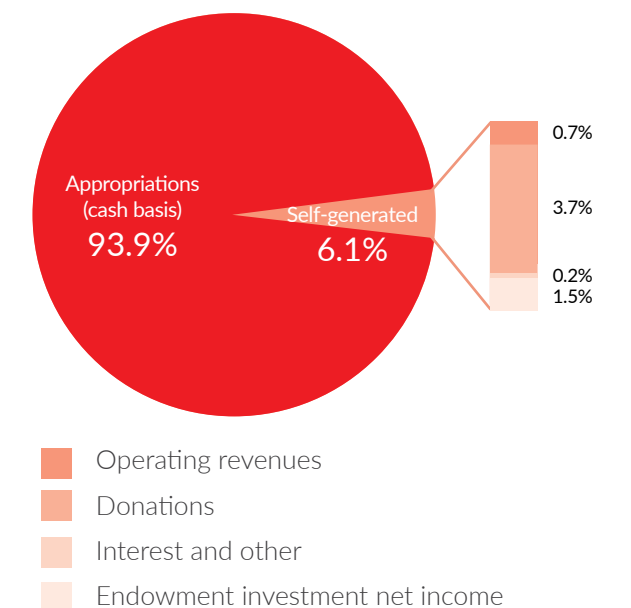
FINANCIAL RESULTS

Operations

The net operating results for the year were \$778,000. When combined with \$5,013,000 in unrestricted net assets from 2019-20 and the current year \$163,000 recapitalization of the endowment fund, this results in unrestricted net assets at March 31, 2021 of \$5,628,000.

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.

2020-21 Source of Operating Funds



On an accrual basis, appropriations increased \$2,390,000 for the year ended March 31, 2021, from \$9,991,000 to \$12,381,000. The Museum received appropriations through the main and supplementary estimates of \$8,154,000 (net of \$403,000 used for capital) plus \$2,050,000 in statutory funding for COVID-19 relief. The remaining \$2,177,000 reflected in appropriations for the year ended March 31, 2021 is the amortization of deferred contributions related to capital assets.

Operating revenues, donations, and interest and other revenues were \$502,000 for the year ended March 31, 2021, compared to \$2,897,000 in 2019-20. Operating revenues include exhibition hall ticket sales, hall rentals, programming, special events, gift shop and Scotiabank Family History Centre sales. The significant decrease in self-generated revenues is due to the closure of the Museum to the public between April and June 2020 and December 2020 and March 2021. The decrease is also due to COVID-19 related provincial restrictions such as capacity limits once the Museum reopened in July 2020. The number of visitors was significantly lower between July and November 2020, which reduced ticket and gift shop sales and the Scotiabank family history center revenues. Due to the restrictions, only a few rental events were possible during the period the Museum was open to the public and planned fundraising events were cancelled.

For the year ended March 31, 2021, net income earned on the endowment investments of \$163,000 is included in the Statement of Operations. At March 31, 2021, the endowment investments had accumulated unrealized gains of \$350,000 compared to accumulated unrealized losses of \$452,000 at March 31, 2020. 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 increase in the accumulated remeasurement gains of \$802,000 was recorded for 2020-21, which results in an overall net positive performance for the

endowment investments of \$965,000 compared to a net negative performance of \$134,000 for 2019-20. At March 31, 2020, unrealized losses were primarily due to the uncertainty in the markets following the onset of the COVID-19 pandemic.

Expenses for the year ended March 31, 2021 were slightly lower than 2020, from \$12,516,000 in 2019-20 to \$12,361,000 in 2020-21. The \$155,000 decrease is mainly due to the decrease in cost of goods sold and travel and hospitality expenses offset by higher repairs and maintenance and building operation expenses, professional and special services and personnel costs. With reduced gift shop sales and the cancellation of the California Wine Dinner and Fascinating Canadian fundraising events, the cost of goods sold was significantly lower for the year ended March 31, 2021. Travel for Museum employees and Board members was suspended until further notice due to COVID-19 restrictions, which also reduced hospitality expenses. Repairs and maintenance and building operation increased compared to the same period last year and included the reopening expenses and additional cleaning measures related to COVID-19, which were offset by lower security and cleaning costs during the Museum's closure to the public. Higher professional fees are due to an enhanced online presence, the development of the online Contributions supporting the redesign of the Contributions Zone in the Museum's permanent exhibit and higher legal fees following the start of negotiations for the collective bargaining. There was a net increase in personnel costs due to retroactive accruals offset by reduced hourly staff costs.

FINANCIAL POSITION

Assets increased by \$230,000 to \$25,911,000 at March 31, 2021, due primarily to the increase in cash of \$1,247,000 and endowment cash and investments of \$1,077,000 offset by the decrease in capital assets of \$1,920,000. The increase in cash is mainly due to the net results of operations

and the increase in accounts payable and accrued liabilities. The decrease in capital assets is primarily due to amortization offset by the capital assets purchases.

Endowment cash and investments were \$9,830,000 at March 31, 2021, compared to \$8,753,000 in 2020. The increase consists of endowment contributions received of \$108,000 and the positive performance of the endowment fund for the year.

Total liabilities decreased by \$1,458,000 to \$10,903,000 at March 31, 2021, primarily due to a \$1,867,000 net decrease in deferred contributions related to capital assets attributable mainly to the amortization offset by higher accounts payable and accrued liabilities.

Net assets include the unrestricted net assets and the net assets related to the endowment fund. The unrestricted net assets were \$5,628,000 at March 31, 2021. The net assets related to the endowment fund of \$9,380,000 at March 31, 2021 include the cumulative endowment contributions of \$8,678,000, the accumulated remeasurement net gains of \$350,000 and the internally restricted net assets of \$352,000.

BUSINESS RISKS

Financial Risks

The COVID-19 outbreak has, and will continue to have, a negative impact on our operating revenues. Public health restrictions closed the Museum multiple times in 2020-21 which significantly curtailed its operating revenue. 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 will continue 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. A reserve has been established to cover the annual income requirements in times where the endowment does not generate the annual income required. The endowment fund performed positively during the year ended March 31, 2021. 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.

FINANCIAL STABILITY AND CAPACITY TO GENERATE REVENUES

The Museum was in a strong financial position prior to the COVID-19 pandemic, and has a history of fiscal prudence. Since 2015-16, personnel costs and the non-discretionary costs for the facilities (rent, PILT, utilities, repairs and maintenance) have exceeded the amount of appropriations. This means that all funds for programming, operating expenses (other than personnel and building operations), and some capital requirements, must be covered by self-generated revenue.

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 \$1.0 million a year for the next five years to attain current budgets. An ambitious fundraising campaign to raise \$5.0 million in major gift commitments by December 2020 has been delayed. The impact of COVID-19 on operating revenues and philanthropy is not known but may pose significant challenges. The Museum is committed to financial sustainability and continues to work on plans to maximize revenue generation and minimize costs.



Financial Statements of

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2021

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 17, 2021



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 2021, 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 2021, 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.



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

Halifax, Canada
17 June 2021

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Financial Position

As at March 31, 2021
(in thousands of dollars)

	2021	2020
Assets		
Current assets		
Cash	\$ 6,078	\$ 4,831
Accounts receivable (note 4)	162	225
Inventory	136	136
Prepaid expenses	160	271
	6,536	5,463
Endowment cash and investments (note 10 a)	9,830	8,753
Capital assets (note 5)	9,544	11,464
Collections (note 6)	1	1
	\$ 25,911	\$ 25,681
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	\$ 1,259	\$ 775
Deferred revenue (note 8)	100	175
Deferred contributions related to capital assets (note 9)	9,544	11,411
Net assets		
Unrestricted	5,628	5,013
Internally restricted (note 11)	352	352
Accumulated remeasurement gains (losses)	350	(452)
Endowment (note 10 b)	8,678	8,407
	15,008	13,320
	\$ 25,911	\$ 25,681

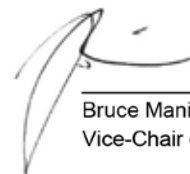
Contractual obligations (note 13)

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, 2021
(in thousands of dollars)

	2021	2020
Revenues		
Operating (schedule 1)	\$ 73	\$ 1,942
Amortization of deferred contributions related to capital assets received from a related party (note 9)	93	93
Donations	404	847
Interest and other	25	108
	595	2,990
Expenses (schedule 2)		
Visitor experience and connections	4,251	4,047
Accommodation	4,961	4,953
Fundraising and commercial activities	1,011	1,207
Internal services	2,138	2,309
	12,361	12,516
Net result of operations before appropriations and endowment investment net income	(11,766)	(9,526)
Appropriations (note 12)	12,381	9,991
Endowment investment net income (note 10)	163	459
Net result of operations	\$ 778	\$ 924

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, 2021

(in thousands of dollars)

	2021	2020
Accumulated remeasurement gains (losses), beginning of year	\$ (452)	\$ 141
Realized (gains) losses on endowment investments reclassified to operations	8	(400)
Unrealized gains (losses) on endowment investments	794	(193)
Accumulated remeasurement gains (losses), end of year	\$ 350	\$ (452)

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, 2021

(in thousands of dollars)

	Unrestricted	Internally restricted	Accumulated remeasurement gains (losses)	Endowment	2021	2020
Net assets, beginning of year	\$ 5,013	\$ 352	\$ (452)	\$ 8,407	\$ 13,320	\$ 12,872
Net result of operations	778	–	–	–	778	924
Transfer to (from) (note 11)	(163)	–	–	163	–	–
Remeasurement gains (losses)	–	–	802	–	802	(593)
Contributions received for endowment (note 10 b)	–	–	–	108	108	117
Net assets, end of year	\$ 5,628	\$ 352	\$ 350	\$ 8,678	\$ 15,008	\$ 13,320

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, 2021

(in thousands of dollars)

	2021	2020
Operating activities		
Appropriations received	\$ 10,204	\$ 7,805
Cash received from clients and donors	629	3,303
Cash paid to suppliers	(3,599)	(4,431)
Payments related to salary and benefits	(5,831)	(5,770)
Interest received	24	105
	1,427	1,012
Capital activities		
Acquisition of capital assets	(416)	(329)
	(416)	(329)
Investing activities		
Acquisition of endowment investments	(1,664)	(17,938)
Disposal of endowment investments	1,389	17,362
	(275)	(576)
Financing activities		
Appropriations received for the acquisition of capital assets	403	100
Contributions to endowment	108	117
	511	217
Increase in cash	1,247	324
Cash, beginning of year	4,831	4,507
Cash, end of year	\$ 6,078	\$ 4,831

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, 2021

(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 since then has met the requirements of the directive.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(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, 2021
(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, 2021
(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	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, 2021
(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 fixed income bonds and fund holdings in global equity 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 16 a).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(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

Related party transactions, other than inter-entity transactions, are recorded at the exchange amount.

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

- i) Inter-entity transactions are recorded 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.
- ii) Goods or services received without charge between commonly controlled entities are not recorded.

3. COVID-19 Impact

The COVID-19 pandemic has, and continues to have, a negative impact on the Museum's operations. In accordance with the provincial public health directive, the Museum temporarily closed its doors to the public at different times during the year. During the closures, most operations continued behind the scenes or adapted to digital delivery with an enhanced online presence. In 2020-21, the Museum received emergency funding of \$2.05 million in statutory appropriations to support operations and help with reopening costs.

The ongoing COVID-19 pandemic has created volatility in the financial markets. The endowment fund experienced a decrease in fair market value which was recorded in the March 31, 2020 financial statements, however there was an overall net positive performance recorded for the year ended March 31, 2021. The endowment capital funds are held in perpetuity so liquidity is not an issue. A reserve had been established to cover the annual income requirements in times where the endowment does not generate the annual income required (see note 11).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

4. Accounts receivable

	2021	2020
Accounts receivable – government departments and agencies	\$ 146	\$ 136
Accounts receivable – other	16	89
	<u>\$ 162</u>	<u>\$ 225</u>

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.

5. Capital assets

	Cost	Accumulated amortization	2021 Net book value
Leasehold improvements	\$ 22,129	\$ 15,604	\$ 6,525
Core exhibitions	5,631	3,303	2,328
Immigration and ships database	46	46	–
Equipment	914	830	84
Capital project - work in progress	607	–	607
	<u>\$ 29,327</u>	<u>\$ 19,783</u>	<u>\$ 9,544</u>

	Cost	Accumulated amortization	2020 Net book value
Leasehold improvements	\$ 22,129	\$ 13,922	\$ 8,207
Core exhibitions	5,631	2,740	2,891
Immigration and ships database	46	46	–
Equipment	940	850	90
Capital project - work in progress	276	–	276
	<u>\$ 29,022</u>	<u>\$ 17,558</u>	<u>\$ 11,464</u>

During 2021, fully amortized out-of-use equipment with an original book value of \$45 was written off. During 2020, no capital assets were written off.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

6. 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, 2021 and 2020, 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.

7. Accounts payable and accrued liabilities

	2021	2020
Accounts payable and accrued liabilities – government departments and agencies	\$ 130	\$ 60
Accounts payable and accrued liabilities – other	1,129	715
	\$ 1,259	\$ 775

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.

8. Deferred revenue

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

	2021	2020
Balance, beginning of year	\$ 175	\$ 209
Funds received (refunded) during the year	(27)	521
Funds recognized as revenue during the year	(48)	(555)
Balance, end of year	\$ 100	\$ 175

During 2021, some funds received in the prior year for hall rental deposits and special events were refunded following their cancellation due to COVID restrictions.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

9. 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	2021
Balance, beginning of year	\$ 10,655	\$ 756	\$ 11,411
Add:			
Appropriations received to acquire capital assets	403	–	403
Less:			
Amortization of deferred contributions related to capital assets	(2,177)	(93)	(2,270)
Balance, end of year	\$ 8,881	\$ 663	\$ 9,544

	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

At March 31, 2021 and 2020, there was no unused portion of deferred contributions related to capital assets. Other contributions were received from a related party, the Halifax Port Authority, for leasehold improvements as per the lease of the Pier 21 premises.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

10. Endowment

a) Endowment cash and investments

Endowment cash and investments consist of the following:

	2021		2020	
	Cost	Fair value	Cost	Fair value
Cash and short-term investments	\$ 399	\$ 400	\$ 623	\$ 623
Investments				
Fixed income	4,058	4,031	3,997	4,075
Global equity	4,083	4,490	3,671	3,359
Alternatives	940	909	914	696
	9,081	9,430	8,582	8,130
	\$ 9,480	\$ 9,830	\$ 9,205	\$ 8,753

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

	2021	2020
Endowment net assets	\$ 8,678	\$ 8,407
Prior years cumulative endowment investment net income recognized	798	336
Current year endowment investment net income recognized	163	459
Current year preservation of capital	(163)	–
Current year endowment investment net income deferred	4	3
Accumulated rereasurement gains (losses)	350	(452)
Endowment cash and investments (at fair value)	\$ 9,830	\$ 8,753

b) Endowment net assets

Endowment contributions totaling \$108 (2020 – \$117) were received by the Museum during the fiscal year. In addition, \$163 was recorded as a direct increase to the endowment for the preservation of capital (2020 – nil). At March 31, the endowment component of net assets consists of the following cumulative contributions:

	2021	2020
Contributions received from Pier 21 Foundation	\$ 4,874	\$ 4,874
Other contributions received for endowment	2,621	2,513
Capital preservation	1,183	1,020
Endowment net assets, end of year	\$ 8,678	\$ 8,407

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

11. Internally restricted net assets and preservation of endowment capital

As approved by the Board of Trustees, the Museum may restrict unspent endowment investment net income as internally restricted net assets as a reserve to be spent at a later date or utilize the net income for the preservation of the endowment capital. In 2021 and 2020, there were no changes to the internally restricted net assets of \$352 (2020 – \$352). In 2021, \$163 was utilized for the preservation of endowment capital (2020 – nil). The preservation amount is reflected in the Statement of Changes in Net Assets as a transfer from unrestricted net assets to endowment net assets.

12. Appropriations

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

	2021	2020
Parliamentary appropriations provided		
Main estimates	\$ 7,895	\$ 7,905
Statutory	2,050	–
Supplementary estimates	662	–
	10,607	7,905
Previous year's appropriations used in the current year	–	217
Appropriations used to purchase amortizable capital assets	(403)	(317)
	10,204	7,805
Amortization of deferred contributions related to capital assets	2,177	2,186
Appropriations recognized as revenue	\$ 12,381	\$ 9,991

13. 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, 2021, the estimated obligations are as follows:

2022	\$ 1,611
2023	1,611
2024	1,611
2025	1,611
2026	1,659
2027 to 2051	46,892
	\$ 54,995

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

14. 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 (2020 – 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 (2020 – 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 3.59 times the employees' contributions (2020 – 3.8 times). Total employer contributions of \$460 (2020 – \$453) 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.

15. Related party transactions

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. In addition to the related party transactions disclosed elsewhere in these financial statements, the Museum incurred expenses totaling \$1,786 (2020 – \$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, 2021
(in thousands of dollars)

16. 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	2021
Financial assets:				
Endowment cash and investments				
Cash and short-term investments	\$ 400	\$ –	\$ –	\$ 400
Investment funds - Fixed income	2,459	1,572	–	4,031
Investment funds - Global equity	–	4,490	–	4,490
Investment funds - Alternatives	–	909	–	909
	\$ 2,859	\$ 6,971	\$ –	\$ 9,830

	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	–	696	–	696
	\$ 2,843	\$ 5,910	\$ –	\$ 8,753

The alternatives investments of \$276 presented under Level 1 at March 31, 2020 should have been included under Level 2. The amount was reclassified for comparative purposes.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

16. 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 classified as Level 2.

Alternative assets have traditionally provided a lower overall volatility and correlation to traditional equity indices. 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. Alternative portfolio investments are classified as Level 2.

During the years ended March 31, 2021 and 2020, 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, 2021
(in thousands of dollars)

16. 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. The 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. The current Investment policy, approved by the Board in July 2020, has permissible ranges of 0-10% cash and short-term investments, 40-75% fixed income, 25-60% global equity and 0-30% alternative assets.

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 minimizes its credit risk by dealing only with reputable and high quality financial institutions and by investing in high quality financial instruments per limits set out in the Museum's Investment policy. The Museum has determined that its credit risk is not significant.

i) 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.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

16. Financial instruments (continued)

b) Risk management (continued)

(1) Credit risk (continued)

ii) Accounts receivable

The Museum is exposed to credit risk from customers in the amount of \$162 (2020 – \$225) 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, 2021, no accounts receivable were past due (over 30 days) (2020 – \$1) of which none (2020 – nil) 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.

(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 \$4,102 (2020 – \$1,955) of underlying investments in fixed income and alternatives classifications containing unhedged foreign currency exposure. The funds denominated in Canadian dollars with foreign currency exposure may enter into forward currency transactions or similar vehicles to insulate the funds from significant price changes due to the change in exchange rates. The foreign currency risk has been determined to be moderate as such funds represent 42% of the portfolio at March 31, 2021 (2020 – 22%).

At March 31, 2021 and 2020, the Museum did not have any liabilities in a foreign currency which would be exposed to fluctuations in exchange rates.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2021
(in thousands of dollars)

16. Financial instruments (continued)

b) Risk management (continued)

(2) Market risk (continued)

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 Museum's cash balance and its endowment investments, which include cash and short-term investments 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 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, 2021 (2020 – \$12).

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 fund, after a decline in fair market value due to the fluctuations in the financial market on March 31, 2020, returned to a favourable fair market value at March 31, 2021.

The endowment investments include \$4,490 in funds with underlying equity investments (2020 – \$3,359). In addition, there is \$909 in alternative assets which are correlated to the stock market indices in Canada and Europe (2020 – \$696).

The sensitivity of the endowment investment is calculated using a 5% decrease in the market prices. At March 31, 2021, 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 \$270 due to the decrease in the fair value of financial assets (2020 – \$203). As a percentage of the total endowment portfolio, such losses would represent a decline of 2.7% (2020 – 2.3%).

(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 has determined that its liquidity risk is not significant.

As at March 31, 2021, all accounts payable and accrued liabilities of the Museum were due within three months.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2021

Schedule 1 – Operating Revenue

(in thousands of dollars)

	2021	2020
Gift shop	\$ 25	\$ 279
Programming	18	91
Exhibition hall ticket sales	15	655
Family history centre	9	104
Hall rental	6	551
Special events	–	262
	\$ 73	\$ 1,942

Schedule 2 – Expenses

(in thousands of dollars)

	2021	2020
Personnel costs	\$ 6,105	\$ 5,924
Amortization of capital assets	2,270	2,279
Rent and related costs	1,575	1,622
Repairs and maintenance and building operation	470	383
Professional and special services	341	127
Marketing, promotion and recognition	300	329
Exhibition and programming	294	306
Operating supplies and services	277	292
Utilities	275	356
Office supplies and administration	217	252
Payment in lieu of taxes	211	175
Cost of goods sold	26	242
Travel and hospitality *	–	229
	\$ 12,361	\$ 12,516

* Includes no hospitality donated in-kind (2020 – \$19). Offsetting revenues of the same amount were recorded under Donations.