

Quarterly Financial Reports of

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

December 31, 2023

NARRATIVE DISCUSSION

For the nine months ended December 31, 2023

The unaudited quarterly financial statements for the Canadian Museum of Immigration at Pier 21 (“the Museum”) should be read in conjunction with the March 31, 2023 management discussion and analysis and annual audited financial statements.

OUTLOOK

During the third quarter of 2023-24, visitation at the Museum continued to be lower than last year and budget. Although, the number of students who visited the Museum as part of school groups was higher than projected. The overall financial picture for the year, however, remains positive due to strong results from rentals and philanthropy.

The Museum continues to work on the development of its next major temporary and travelling exhibition. Meanwhile, *Refuge Canada*, the Museum's current travelling exhibition, continued to reach Canadians across the country, with presentation at the Museum of Vancouver from October 7, 2023 to February 4, 2024, while the smaller format of the exhibition, the *Refuge Canada Tent*, toured the New Iceland Museum in Gimli, Manitoba, the Cégep Garneau in Quebec City, and the Université Sainte-Anne in Nova Scotia.

Hearts of Freedom, a temporary exhibition on the story of the Southeast Asian refugee movement in the wake of the Vietnam War, concluded its run at the Museum in December 2023. Metis artist Tracey Mae Chambers expanded her red cotton, silk and wool installation in the Museum's Canadian Immigration Story exhibition as part of her ongoing #HopeAndHealingCanada project. The installation, which will remain in place until December 2025, is the first in a series of interventions by Indigenous artists with a new installation planned every two years.

In November 2023, the Museum held two successful fundraising events, the *Fascinating Canadian* speaker series, where prominent guest speakers reflect on their relationship to immigration and the importance of immigration to Canada. One was held in Halifax and the other in Toronto.

FINANCIAL RESULTS

Operations

The net result of operations for the nine months ended December 31, 2023 was a net income of \$784,000 compared to a net income of \$410,000 for the nine months ended December 31, 2022. When combined with the \$6,572,000 in unrestricted net assets at March 31, 2023, this results in unrestricted net assets at December 31, 2023 of \$7,356,000.

For the nine months ended December 31, 2023, self-generated revenues increased \$611,000 from \$2,235,000 in 2022 to \$2,846,000 in 2023. Self-generated revenues include operating revenues, donations, and interest and other revenues. The increase in self-generated revenues is due to the increase in donations and interest and other revenues and higher net operating revenues which includes ticket sales, hall rentals, gift shop sales, Family history centre sales, programming and the Museum's fundraising events.

Appropriations decreased \$14,000 for the nine months ended December 31, 2023, from \$7,528,000 in 2022 to \$7,514,000 in 2023 due to the timing of receipt and lower amortization with leasehold improvements made in 2011-12 and 2012-13 now fully amortized. In addition to its ongoing operating appropriations, in 2023-24 the Museum received \$975,000 for operating and capital expenditures through Budget 2023. In 2022-23, the Museum received \$845,000 in COVID-19 related funding to support national museums, which was the third and last year of COVID-19 related funding.

Income on the endowment investments of \$110,000 is included in the Statement of Operations for the nine months ended December 31, 2023 compared to a loss of \$143,000 in 2022. 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 \$369,000 was recorded for the nine months, which results in an overall positive performance for the endowment investments of \$479,000 for the nine months ended December 31, 2023 compared to an overall negative performance of \$581,000 in 2022.

Expenses for the nine months ended December 31, 2023 increased \$468,000, from \$9,270,000 in 2022 to \$9,738,000 in 2023 but were still under budget. The increase is mainly due to the planned increase in personnel costs, exhibition and programming expenses and the increase in payment in lieu of taxes.

Financial Position

Total assets at December 31, 2023 were \$23,608,000 compared to \$23,235,000 at March 31, 2023. The \$373,000 increase is mainly due to the increase in cash primarily due to the net result of operations and the increase endowment cash and investments due to its overall positive performance, offset by the decrease in capital assets attributable to the amortization net of acquisitions.

BUSINESS RISKS

Management has not identified any new significant business risks to those discussed in the 2022-23 annual Management Discussion and Analysis.



Marie Chapman
Chief Executive Officer



Kendall J. Blunden, CPA, CA
Chief Financial Officer

Unaudited Financial Statements of

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

December 31, 2023

STATEMENT OF MANAGEMENT RESPONSIBILITY BY SENIOR OFFICIALS

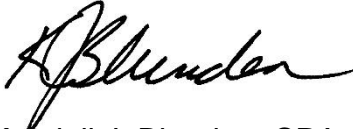
Management is responsible for the preparation and fair presentation of these quarterly financial statements in accordance with the Treasury Board of Canada’s Directive on Accounting Standards: GC 5200 Crown Corporations Quarterly Financial Reports, and for such internal controls as management determines is necessary to enable the preparation of quarterly financial statements that are free from material misstatement. Management is also responsible for ensuring all other information in this quarterly financial report is consistent, where appropriate, with the quarterly financial statements.

Based on our knowledge, these unaudited quarterly financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the corporation, as at the date of and for the periods presented in the quarterly financial statements.

These quarterly financial statements have not been audited or reviewed by an external auditor.



Marie Chapman
Chief Executive Officer



Kendall J. Blunden, CPA, CA
Chief Financial Officer

Halifax, Canada
February 15, 2024

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Financial Position (Unaudited)

<i>(in thousands of dollars)</i>	December 31 2023	March 31 2023
Assets		
Current assets		
Cash	7,346	6,671
Accounts receivable	225	213
Inventory	127	119
Prepaid expenses	252	159
	7,950	7,162
Endowment cash and investments (note 4)	10,276	9,778
Capital assets	5,381	6,294
Collections	1	1
Total assets	23,608	23,235
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued liabilities	828	623
Deferred revenue	143	221
Deferred contributions related to capital assets (note 5)	5,381	6,294
Net assets		
Unrestricted	7,356	6,572
Internally restricted	352	352
Accumulated remeasurement gains (losses)	552	183
Endowment	8,996	8,990
Total net assets	17,256	16,097
Total liabilities and net assets	23,608	23,235

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Operations (Unaudited)

<i>(in thousands of dollars)</i>	Three months ended		Nine months ended	
	December 31		December 31	
	2023	2022	2023	2022
Revenues				
Operating (schedule 1)	522	468	1,842	1,818
Amortization of deferred contributions related to capital assets received from a related party	17	17	52	60
Donations	278	184	731	295
Interest and other	99	66	273	122
Total revenues	916	735	2,898	2,295
Expenses (schedule 2)				
Visitor experience and connections	1,044	1,129	3,645	3,345
Accommodation	1,048	1,050	3,119	3,163
Fundraising and commercial activities	362	359	1,139	1,078
Internal services	618	539	1,835	1,684
Total expenses	3,072	3,077	9,738	9,270
Net result of operations before appropriations and endowment investment net income (loss)	(2,156)	(2,432)	(6,840)	(6,975)
Appropriations (note 6)	2,644	2,546	7,514	7,528
Endowment investment net income (loss)	80	50	110	(143)
Net result of operations	568	254	784	410

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Remeasurement Gains and Losses (Unaudited)

<i>(in thousands of dollars)</i>	Three months ended		Nine months ended	
	December 31		December 31	
	2023	2022	2023	2022
Accumulated remeasurement gains (losses), beginning of period	58	(346)	183	320
Realized (gains) losses on endowment investments reclassified to operations	–	7	46	271
Unrealized gains (losses) on endowment investments	494	221	323	(709)
Accumulated remeasurement gains (losses), end of period	552	(118)	552	(118)

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Changes in Net Assets (Unaudited)

(in thousands of dollars)

For the three months ended	Unrestricted	Internally restricted	Accumulated remeasurement gains (losses)	Endowment	December 31 2023	December 31 2022
Net assets, beginning of period	6,788	352	58	8,990	16,188	15,466
Net result of operations	568	–	–	–	568	254
Remeasurement gains (losses)	–	–	494	–	494	228
Contributions received for endowment	–	–	–	6	6	107
Net assets, end of period	7,356	352	552	8,996	17,256	16,055

For the nine months ended	Unrestricted	Internally restricted	Accumulated remeasurement gains (losses)	Endowment	December 31 2023	December 31 2022
Net assets, beginning of period	6,572	352	183	8,990	16,097	15,876
Net result of operations	784	–	–	–	784	410
Remeasurement gains (losses)	–	–	369	–	369	(438)
Contributions received for endowment	–	–	–	6	6	207
Net assets, end of period	7,356	352	552	8,996	17,256	16,055

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Cash Flows (Unaudited)

<i>(in thousands of dollars)</i>	Three months ended		Nine months ended	
	December 31		December 31	
	2023	2022	2023	2022
Operating activities				
Appropriations received	2,349	2,248	6,624	6,634
Cash received from clients and donors	676	487	2,603	2,066
Cash paid to suppliers	(1,050)	(1,239)	(3,779)	(3,853)
Payments related to salary and benefits	(1,430)	(1,447)	(4,913)	(4,905)
Interest received	95	64	263	120
Total operating activities	640	113	798	62
Capital activities				
Acquisition of capital assets	(6)	–	(29)	(142)
Total capital activities	(6)	–	(29)	(142)
Investing activities				
Acquisition of endowment investments	(87)	(850)	(1,342)	(2,795)
Disposal of endowment investments	–	695	1,213	2,738
Total investing activities	(87)	(155)	(129)	(57)
Financing activities				
Appropriations received for the acquisition of capital assets	6	7	29	18
Contributions received for endowment	6	107	6	207
Total financing activities	12	114	35	225
Increase (decrease) in cash	559	72	675	88
Cash, beginning of period	6,787	6,686	6,671	6,670
Cash, end of period	7,346	6,758	7,346	6,758

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements (Unaudited)

For the nine months ended December 31, 2023
(in thousands of dollars)

1. Authority and objectives

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:

- 1) 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.
- 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.
- 3) Fundraising and commercial activities: The Museum's fundraising and commercial activities provide essential financial support.
- 4) Internal services: Sound governance practices are in place and resources are effectively managed to support the achievement of the Museum's mandate.

2. Accounting policies

These unaudited financial statements follow the same accounting policies and methods of computation as the Museum's annual audited financial statements as at and for the year ended March 31, 2023.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements (Unaudited)

For the nine months ended December 31, 2023
(in thousands of dollars)

3. Basis of presentation

The note disclosures in these unaudited financial statements do not conform in all respects to the requirements of Canadian Public Sector Accounting Standards for government not-for-profit organizations for annual audited financial statements. These unaudited financial statements should be read in conjunction with the Narrative Discussion for the nine months ended December 31, 2023 and with the Museum's annual audited financial statements as at and for the year ended March 31, 2023.

4. Endowment cash and investments

Endowment cash and investments consist of the following:

	December 31		March 31	
	Cost	Fair Value	Cost	Fair value
Cash and short-term investments	89	89	23	23
Investments				
Fixed income	3,475	3,362	3,516	3,350
Global equity	4,586	5,217	4,565	4,879
Alternatives	1,574	1,608	1,491	1,526
Total investments	9,635	10,187	9,572	9,755
Total endowment cash and investments	9,724	10,276	9,595	9,778

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements (Unaudited)

For the nine months ended December 31, 2023

(in thousands of dollars)

5. Deferred contributions related to capital assets

Deferred contributions related to capital assets represent contributed capital assets and restricted contributions for the acquisition of capital assets. Deferred contributions are amortized to income on the same basis as the related capital assets are amortized. The changes in the deferred contributions balance for the periods are as follows:

For the three months ended	Appropriations	Other contributions	December 31 2023
Balance, beginning of period	5,230	457	5 687
Add: Appropriations received to acquire capital assets	6	–	6
Less: Amortization of deferred contributions related to capital assets	(295)	(17)	(312)
Balance, end of period	4,941	440	5,381

For the nine months ended	Appropriations	Other contributions	December 31 2023
Balance, beginning of period	5,802	492	6,294
Add: Appropriations received to acquire capital assets	29	–	29
Less: Amortization of deferred contributions related to capital assets	(890)	(52)	(942)
Balance, end of period	4,941	440	5,381

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements (Unaudited)

For the nine months ended December 31, 2023

(in thousands of dollars)

5. Deferred contributions related to capital assets (continued)

For the year ended	Appropriations	Other contributions	March 31 2023
Balance, beginning of year	6,955	570	7,525
Add: Appropriations received to acquire capital assets	39	–	39
Less: Amortization of deferred contributions related to capital assets	(1,192)	(78)	(1,270)
Balance, end of year	5,802	492	6,294

There was no unused portion of deferred contributions related to capital assets at December 31, 2023 (March 31, 2023 – nil). 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 (Unaudited)

For the nine months ended December 31, 2023
(in thousands of dollars)

6. Appropriations

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

	Three months ended December 31		Nine months ended December 31	
	2023	2022	2023	2022
Parliamentary appropriations provided				
Main estimates	8,112	8,112	8,112	8,112
Supplementary estimates	1,018	845	1,018	845
Total parliamentary appropriations	9,130	8,957	9,130	8,957
Portion of appropriations for capital projects	(6)	(7)	(29)	(18)
Portion of appropriation for future expenses	(2,500)	(2,305)	(2,477)	(2,305)
Amount received in prior quarter	(4,275)	(4,397)	–	–
Appropriations received for operating in the current period	2,349	2,248	6,624	6,634
Amortization of deferred contributions related to capital assets	295	298	890	894
Appropriations recognized as revenue	2,644	2,546	7,514	7,528

7. Comparative figures

Certain December 2022 comparative figures have been reclassified to conform with the presentation adopted for the year ended March 31, 2023.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Schedule 1 – Operating Revenue (Unaudited)

<i>(in thousands of dollars)</i>	Three months ended		Nine months ended	
	December 31		December 31	
	2023	2022	2023	2022
Hall rental	192	164	568	468
Exhibition hall ticket sales	83	101	557	654
Special events	176	118	305	289
Gift shop	56	51	265	280
Programming	5	22	76	57
Family history centre	10	12	71	70
Total operating revenue	522	468	1,842	1,818

Schedule 2 – Expenses (Unaudited)

<i>(in thousands of dollars)</i>	Three months ended		Nine months ended	
	December 31		December 31	
	2023	2022	2023	2022
Personnel costs	1,567	1,582	5,103	4,772
Rent and related costs	427	426	1,279	1,277
Amortization of capital assets	312	315	942	954
Operating supplies and services	102	120	327	328
Utilities	88	106	277	294
Cost of goods sold	92	89	276	287
Repairs and maintenance and building operation	78	78	273	255
Marketing, promotion and recognition	69	74	268	244
Professional and special services	60	44	223	233
Exhibition and programming	41	74	214	161
Office supplies and administration	59	51	195	180
Payment in lieu of taxes	87	46	187	146
Travel and hospitality	90	72	174	139
Total expenses	3,072	3,077	9,738	9,270