

Non-Consolidated Financial Statements of

THE MANITOBA MUSEUM

Year ended March 31, 2019



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INDEPENDENT AUDITORS' REPORT

To the Members of The Manitoba Museum

Opinion

We have audited the non-consolidated financial statements of The Manitoba Museum (the Entity), which comprise the non-consolidated statement of financial position as at March 31, 2019, the non-consolidated statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the non-consolidated financial position of the Entity as at March 31, 2019, and its non-consolidated results of operations and its non-consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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.

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 accounting standards for not-for-profit organizations, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Winnipeg, Canada

May 27, 2019

THE MANITOBA MUSEUM

Non-Consolidated Statement of Financial Position

March 31, 2019, with comparative information for 2018

	General Fund	Properties Fund	Other Restricted Funds	2019 Total	2018 Total
Assets					
Current assets:					
Cash	\$ 67,852	\$ –	\$ –	\$ 67,852	\$ 415,149
Restricted cash (note 3)	500,000	–	–	500,000	500,000
Marketable securities	5,375	–	–	5,375	5,229
Accounts receivable:					
Grants	135,000	–	2,051,923	2,186,923	1,774,136
Other	80,265	–	–	80,265	40,067
Due from The Manitoba Museum Foundation Incorporated	–	–	–	–	2,189
Inventories	65,312	–	–	65,312	61,949
Prepaid expenses	210,494	–	–	210,494	147,226
Investments (note 4)	–	–	2,000,000	2,000,000	1,000,000
Inter-fund loans (note 12)	130,571	(268,811)	138,240	–	–
	1,194,869	(268,811)	4,190,163	5,116,221	3,945,945
Properties (note 5)	–	25,230,969	–	25,230,969	24,024,929
Accrued benefit asset (note 7)	4,575,866	–	–	4,575,866	3,865,718
	\$ 5,770,735	\$ 24,962,158	\$ 4,190,163	\$ 34,923,056	\$ 31,836,592

Liabilities and Fund Balances

Current liabilities:					
Accounts payable and accrued liabilities (note 8)	\$ 1,497,583	\$ –	\$ –	\$ 1,497,583	\$ 1,722,775
Due to The Manitoba Museum Foundation Incorporated	5,853	–	–	5,853	–
	1,503,436	–	–	1,503,436	1,722,775
Accrued benefit liability (note 7)	670,336	–	–	670,336	633,665
Fund balances:					
Invested in properties	–	24,962,158	–	24,962,158	23,756,118
Externally restricted	–	–	3,690,163	3,690,163	2,219,100
Externally restricted working capital reserve (note 3)	–	–	500,000	500,000	500,000
Internally restricted (note 9)	1,178,625	–	–	1,178,625	1,258,782
Unrestricted	2,418,338	–	–	2,418,338	1,746,152
	3,596,963	24,962,158	4,190,163	32,749,284	29,480,152
	\$ 5,770,735	\$ 24,962,158	\$ 4,190,163	\$ 34,923,056	\$ 31,836,592

See accompanying notes to non-consolidated financial statements.

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THE MANITOBA MUSEUM

Non-Consolidated Statement of Operations and Changes in Fund Balances

Year ended March 31, 2019, with comparative information for 2018

	2019							2018			
	General Fund			Restricted Funds				2019 Total	General Fund	Restricted Funds	2018 Total
	Unrestricted	Internally Restricted	Total	Properties	Special Projects	Total					
Revenue:											
Grants (note 10)	\$ 3,464,800	\$ –	\$ 3,464,800	\$ –	\$ –	\$ –	\$ 3,464,800	\$ 3,459,800	\$ 20,000	\$ 3,479,800	
Fundraising (note 11)	477,785	–	477,785	–	53	53	477,838	480,662	–	480,662	
Contributions (notes 12 and 13)	–	88,130	88,130	–	3,595,210	3,595,210	3,683,340	52,590	4,662,060	4,714,650	
Admission	949,844	–	949,844	–	–	–	949,844	1,010,853	–	1,010,853	
Museum shop	217,789	–	217,789	–	–	–	217,789	266,113	–	266,113	
Contract services	14,106	–	14,106	–	–	–	14,106	21,373	–	21,373	
Donations-in-kind	354,752	–	354,752	98,034	–	98,034	452,786	77,605	42,403	120,008	
Memberships	271,615	–	271,615	–	–	–	271,615	260,132	–	260,132	
Other income	363,622	152,650	516,272	–	–	–	516,272	613,571	–	613,571	
	6,114,313	240,780	6,355,093	98,034	3,595,263	3,693,297	10,048,390	6,242,699	4,724,463	10,967,162	
Expenses:											
Salaries and employee benefits	3,949,361	–	3,949,361	–	8,719	8,719	3,958,080	3,787,697	–	3,787,697	
Research, collections and exhibitions	70,080	316,728	386,808	–	408,953	408,953	795,761	478,999	399,158	878,157	
Education and interpretation	55,346	–	55,346	–	–	–	55,346	71,038	–	71,038	
Marketing and public relations	245,013	59,773	304,786	–	15,370	15,370	320,156	364,425	11,725	376,150	
Fundraising and development	76,332	95,593	171,925	–	3,280	3,280	175,205	164,294	1,690	165,984	
Central services	367,573	126,230	493,803	–	178	178	493,981	564,185	2,733	566,918	
Grant expense (note 13)	–	–	–	–	–	–	–	–	50,000	50,000	
Staff development and opportunity fund	21,676	2,574	24,250	–	–	–	24,250	70,254	–	70,254	
Security	208,926	–	208,926	–	–	–	208,926	209,292	–	209,292	
Museum shop	226,367	–	226,367	–	–	–	226,367	225,536	–	225,536	
Goods and services received in-kind	354,752	–	354,752	–	–	–	354,752	77,605	–	77,605	
Capital planning costs	–	–	–	–	–	–	–	–	33,049	33,049	
Amortization of properties	–	–	–	518,661	–	518,661	518,661	–	472,621	472,621	
	5,575,426	600,898	6,176,324	518,661	436,500	955,161	7,131,485	6,013,325	970,976	6,984,301	
Excess (deficiency) of revenue over expenses	538,887	(360,118)	178,769	(420,627)	3,158,763	2,738,136	2,916,905	229,374	3,753,487	3,982,861	
Fund balance, beginning of year	1,746,152	1,258,782	3,004,934	23,756,118	2,719,100	26,475,218	29,480,152	3,204,982	22,618,892	25,823,874	
Transfer of funds for purchase of properties	(3,928)	(27,394)	(31,322)	1,626,667	(1,595,345)	31,322	–	(162,561)	162,561	–	
Transfer of funds for internally restricted expenditures (note 9)	–	92,355	92,355	–	(92,355)	(92,355)	–	59,722	(59,722)	–	
Transfer of funds for internally restricted projects (note 9)	(215,000)	215,000	–	–	–	–	–	–	–	–	
Remeasurement of accrued benefit asset	355,135	–	355,135	–	–	–	355,135	(321,421)	–	(321,421)	
Remeasurement of accrued benefit liability	(2,908)	–	(2,908)	–	–	–	(2,908)	(5,162)	–	(5,162)	
Fund balance, end of year	\$ 2,418,338	\$ 1,178,625	\$ 3,596,963	\$ 24,962,158	\$ 4,190,163	\$ 29,152,321	\$ 32,749,284	\$ 3,004,934	\$ 26,475,218	\$ 29,480,152	

See accompanying notes to non-consolidated financial statements.

THE MANITOBA MUSEUM

Non-Consolidated Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 2,916,905	\$ 3,982,861
Items not affecting cash:		
Amortization	518,661	472,621
Donation of artifacts	(98,034)	(42,403)
Change in non-cash operating working capital:		
Accounts receivable	(452,985)	(1,425,304)
Inventories	(3,363)	(8,611)
Prepaid expenses	(63,268)	74,361
Accounts payable and accrued liabilities	(225,192)	453,609
Due to/from The Manitoba Museum Foundation		
Incorporated	8,042	(9,193)
Accrued benefit liability	33,763	57,645
Accrued benefit asset	(355,013)	(350,435)
	2,279,516	3,205,151
Investing activities:		
Purchase of investments	(1,000,000)	(1,000,000)
Purchase of properties	(1,626,667)	(2,725,926)
Change in marketable securities	(146)	540
	(2,626,813)	(3,725,386)
Decrease in cash	(347,297)	(520,235)
Cash, beginning of year	415,149	935,384
Cash, end of year	\$ 67,852	\$ 415,149

See accompanying notes to non-consolidated financial statements.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements

Year ended March 31, 2019

1. General:

The Manitoba Museum (the Museum) is a public, not-for-profit organization operating programs to preserve the heritage of Manitoba. The Museum is incorporated by a *Special Act* of Manitoba Legislation. The Museum is a registered charity under the *Income Tax Act* (Canada) and is therefore exempt from income taxes.

2. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

(a) Basis of presentation:

The Museum exercises control over The Manitoba Museum Foundation Incorporated (the Foundation) by virtue of its abilities to appoint all of the Foundation's Board of Directors.

The Foundation's financial results have not been consolidated in the Museum's financial statements. Financial statements for the Foundation are prepared separately. A financial summary of the Foundation's financial position as at March 31, 2019 and March 31, 2018 and the results of operations for the years then ended are as follows:

	2019	2018
Assets	\$ 365,923	\$ 356,100
Liabilities	\$ 1,900	\$ 4,089
Unrestricted net assets	364,023	352,011
	\$ 365,923	\$ 356,100
Results of operations:		
Revenue	\$ 95,799	\$ 197,331
Operating expenses	83,787	204,185
Excess (deficiency) of revenue over expenses	\$ 12,012	\$ (6,854)

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

(b) Fund accounting:

The Museum follows the restricted fund method of accounting for contributions.

Revenue and expenses related to program and project delivery and administrative activities are reported in the General Fund.

The Properties Fund includes transactions related to the funding and acquisition of the Museum's properties, including artifacts donated to the Museum.

Other Restricted Funds consists of Special Projects Fund and the Working Capital Reserve Fund. The Special Projects Fund reports the assets, liabilities, revenues, and expenses related to restricted resources to be used for specific projects undertaken by the Museum. The Working Capital Reserve Fund reports the assets, liabilities, revenues and expenses restricted for the purpose of providing the Museum with a working capital reserve. These reserve funds may be accessed for cash flow purposes over the course of a given year, but must be replenished prior to year end (note 3).

(c) Inventories:

Inventories are valued at the lower of cost and net realizable value.

(d) Properties:

Properties are capitalized on the following basis:

- (i) History and ethnology artifacts purchased are recorded at cost and those accepted as donations are recorded at estimated value on the date of receipt by the Museum's curatorial staff or independent appraiser.
- (ii) Natural history artifacts are collected by the Museum's staff on field trips. The related field trip costs are included in the cost of properties, excluding salary costs related to their collection and preparation. Natural history artifacts are also accepted as donations and are recorded at estimated value on the date of receipt by the Museum's curatorial staff or independent appraiser.

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Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

- (iii) Archaeology artifacts on hand April 1, 1989 are recorded at a nominal amount of \$1. Subsequent to April 1, 1989, artifacts purchased are recorded at cost and those accepted as donations are valued at estimated value on the date of receipt by the Museum's curatorial staff or independent appraiser. Artifacts collected by the Museum's staff are recorded at the cost of the related collection project, excluding salary costs related to their collection and preparation.
- (iv) The cost of exhibits constructed and refurbished on the premises are capitalized at cost and include an allocation of staff salaries and related costs.
- (v) Furnishings and equipment purchases are capitalized at cost.
- (vi) Library books and periodicals purchased are capitalized at cost and those books accepted as donations are valued at a minimum of \$10 per book.

The carrying value of assets disposed of and the portions of exhibits removed to facilitate refurbishment are removed from the accounts and charged to income in the year of disposal or refurbishment.

Amortization expense is reported in the Properties Fund. Amortization is provided using the declining balance method at the following annual rates:

Asset	Rate
Exhibits	5%
Furnishings and equipment	12.5%
Library	5%
Leasehold improvements	5%

Exhibits in progress are stated at cost and no amortization is taken until the assets are placed in use.

The Museum occupies space owned by the Province of Manitoba and managed by The Manitoba Centennial Centre Corporation on a rent-free basis. The Manitoba Centennial Centre Corporation receives an operating grant directly from the Province of Manitoba, Department of Sport, Culture and Heritage and allocates a portion for occupancy costs pertaining to the premises.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

(e) Employee future benefits:

The Museum has a defined benefit pension plan and a long service benefit plan covering substantially all of its employees. The Museum accrues its obligations under the defined benefit pension plan and long service benefit plan as the employees render the services necessary to earn the future benefits from these plans. The actuarial determination of the accrued benefit obligations for the plans use the projected benefit method prorated on service (which incorporates management's assumptions used for funding purposes, other cost escalation, retirement ages of employees and other actuarial factors). The measurement date of the plan assets, which are recorded at fair value, and accrued benefit obligation coincides with the Museum's fiscal year.

The Museum measures the defined benefit and long service benefit obligation using the most recently completed funding valuations. The effective dates of the actuarial valuations used in determining the defined benefit and long service benefit obligations was December 31, 2016 and December 31, 2016, respectively.

At year-end the Museum recognizes, in the statement of financial position, the defined benefit and long service benefit obligations net of the fair value of plan assets, if any, adjusted for any valuation allowance. The cost of the plans for the year, except for remeasurements and other items, is recognized in the statement of operations. Remeasurements and other items, which comprise the aggregate of: the difference between the actual return on plan assets and the return calculated using the discount rate used in determining that defined benefit obligation at the beginning of the year; actuarial gains and losses; the effect of any valuation allowance in the case of a net defined benefit asset; past service costs; and gains and losses arising from settlements and curtailments, are recognized directly in unrestricted fund balance in the statement of financial position and presented as a separately identified item in the statement of changes in fund balances.

(f) Recognition of revenue:

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income on investments held in the Special Projects Fund and the Working Capital Reserve Fund is recorded as income in the General Fund.

Admissions and other revenue are recognized when earned.

(g) Donations in-kind:

Donated materials and services are recorded when the materials or services would have to be purchased if they were not donated and where an estimate of fair market value can be reasonably determined.

(h) Contributed service:

Volunteers contribute in excess of 17,000 hours per year to assist the Museum in carrying out its programs and activities. Because of the difficulty of determining their fair value, contributed volunteer services are not recognized in the financial statements.

(i) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Museum has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expenses as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

2. Significant accounting policies (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Museum determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Museum expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(j) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of properties, accrued benefit asset and accrued benefit liability. Actual results could differ from those estimates.

3. Working Capital Reserve Fund:

On November 10, 2004, the Museum entered into a five year funding agreement with Arts Stabilization Manitoba, Inc. (ASM). Under the funding agreement, ASM had provided a total of \$500,000 to establish a Working Capital Reserve Fund. The restricted cash of the Working Capital Reserve Fund may be accessed for cash flow purposes over the course of a given year, but must be replenished prior to the Museum's fiscal year end, except as otherwise approved by ASM in accordance with the funding agreement. At March 31, 2019, the Museum had \$500,000 (2018 - \$500,000) held as restricted cash.

On November 10, 2009, the term of the funding agreement ended. Based on the terms and conditions of this funding agreement, the Museum must continue to maintain the \$500,000 of restricted cash in the Working Capital Reserve Fund at the end of each fiscal year, in perpetuity.

4. Investments:

At March 31, 2019, the Museum has invested \$2,000,000 (2018 - \$1,000,000) in guaranteed investment certificates with an average interest rate of 1.58 percent (2018 - 1.55 percent) and maturing between May 2, 2019 and August 13, 2019. These funds were available for investment principally as a result of the capital campaign as disclosed in note 13 and were received in support of the Bringing Our Stories Forward project.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

5. Properties:

			2019	2018
	Cost	Accumulated amortization	Net book value	Net book value
Artifacts	\$ 13,876,703	\$ –	\$ 13,876,703	\$ 13,769,960
Exhibits	12,926,693	7,213,228	5,713,465	3,283,266
Furnishings and equipment	4,137,427	3,347,111	790,316	873,712
Library	823,587	606,814	216,773	224,464
Leasehold improvements	10,063,131	6,914,323	3,148,808	3,314,535
Exhibits in progress	1,484,904	–	1,484,904	2,558,992
	\$ 43,312,445	\$ 18,081,476	\$ 25,230,969	\$ 24,024,929

Details of changes in the cost of properties are as follows:

	2019	2018
Acquisition of properties:		
Purchases:		
Artifacts	\$ 8,708	\$ 5,147
Furnishings and equipment	27,539	155,256
Exhibits in progress	1,586,797	2,560,588
Library	3,623	4,935
	1,626,667	2,725,926
Donations in-kind:		
Artifacts	98,034	42,403
Increase in properties	1,724,701	2,768,329
Properties, beginning of year, at cost	41,587,744	38,819,415
Properties, end of year, at cost	\$ 43,312,445	\$ 41,587,744

6. Bank indebtedness:

The Museum has an operating line of credit to a maximum of \$800,000. The operating line of credit is due on demand, bears interest at bank prime and is unsecured. The Museum had not utilized the operating line of credit at March 31, 2019 and March 31, 2018.

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Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

7. Employee future benefits:

	2019		2018	
	Defined benefit pension plan	Long service benefit plan	Defined benefit pension plan	Long service benefit plan
Fair value of plan assets	\$ 20,315,571	\$ –	\$ 19,171,831	\$ –
Accrued benefit obligation	(15,739,705)	(670,336)	(15,306,113)	(633,665)
Accrued benefit asset (accrued benefit liability)	\$ 4,575,866	\$ (670,336)	\$ 3,865,718	\$ (633,665)

8. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$36,705 (2018 - \$33,643), which includes amounts payable for federal and provincial sales tax and payroll related taxes.

9. Fund balances - internally restricted:

The Board of Governors can internally restrict net assets stipulating that these net assets be used for a specific purpose. These internally restricted amounts are not available for other purposes without approval by the Board of Governors.

The internally restricted net assets of the General Fund are comprised of the following:

	2019	2018
Rentals - capital equipment acquisition	\$ 3,178	\$ 3,637
Human resources - training and development	129,465	82,040
Planetarium - capital acquisitions	1,268	–
New Publications Projects	10,950	13,780
Alloway World Exhibits - Major Exhibition Hosting	297,102	359,963
Nonsuch Conservation	9,522	10,374
I.T Capital Projects and Infrastructure - Hardware and Software	54,363	54,470
Capital Renewal Projects - Research and Development	61,618	136,843
New Exhibitions - Planning, Research and Development	88,380	103,575
Earned Revenue Projects - Planning, Development and Implementation	–	3,235
Museum Collection Storage - HVAC Replacement	290,240	315,865
Manitoba Museum- 50 th Anniversary Planning & Special Projects	94,315	110,000
Museum Collections Acquisitions	4,840	5,000
Facilities Capital upgrades/improvements	33,384	60,000
Museum Branding	100,000	–
	\$ 1,178,625	\$ 1,258,782

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

9. Fund balances - internally restricted (continued):

During the year, the Board of Governors approved a transfer within the General Fund from the unrestricted fund balance to the internally restricted fund balance of \$215,000 for the following projects: Alloway World Exhibits - Major Exhibition Hosting for \$15,000, I.T. Capital Projects and Infrastructure - Hardware and Software for \$50,000, Human Resources - Training and Development for \$50,000 and Museum Branding for \$100,000.

In addition, a transfer of \$92,355 (2018 - \$59,722) was made from the Restricted Fund - Special Projects to the internally restricted net assets of the General Fund for capital and endowment campaign expenditures related to Bringing Our Stories Forward.

10. Grants:

	2019		2018	
	General Fund	Properties/ Special Projects	General Fund	Properties/ Special Projects
Province of Manitoba	\$ 3,269,800	\$ -	\$ 3,269,800	\$ 20,000
HBC History Foundation Grant	140,000	-	135,000	-
The City of Winnipeg	55,000	-	55,000	-
	<u>\$ 3,464,800</u>	<u>\$ -</u>	<u>\$ 3,459,800</u>	<u>\$ 20,000</u>

11. Fundraising:

	2019	2018
Individual	\$ 154,467	\$ 123,009
Special events	143,748	188,175
Sponsorship	179,623	169,478
	<u>\$ 477,838</u>	<u>\$ 480,662</u>

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

12. Related party transactions:

During the year, the following transactions were entered into with the Foundation:

	2019	2018
Grants received from the Foundation	\$ 67,000	\$ 55,875
Refund of unspent grants in the Special Projects Fund	–	(4,302)
Administration fee recovery - included in other income of the General Fund	1,025	1,025
Research, collections and exhibits support - included in other income of the General Fund	10,000	10,000

The inter-fund loans are non-interest bearing, due on demand, have no specified terms of repayment and are unsecured.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

13. Capital renewal project:

Bringing Our Stories Forward

During fiscal 2018, the Museum had commenced the *Nonsuch* Gallery renewal phase of the Bringing Our Stories Forward (BOSF) project. This renewal phase of the BOSF project was funded by the Federal Government - Canada Cultural Space Fund (CCSF) through a contribution of \$2,500,000 as well as funds provided from a variety of private sector donors solicited through an ongoing capital campaign carried out by the Museum. Of the \$2,500,000 funding from CSSF, \$442,524 was received during fiscal 2017 with the remaining \$2,057,476 received during fiscal 2018 and included as revenue in Restricted Fund - Special Projects. The BOSF project continued in fiscal 2019 with the commencement of the construction of a new Winnipeg Gallery and the renewal of the Urban Gallery. This phase is to be completed in fiscal 2020. Grasslands and Orientation Galleries will be renewed in fiscal 2020 and fiscal 2021 as the concluding phase of BOSF. In support of the overall BOSF project, the Province of Manitoba (the Province) entered into a Contribution Agreement with the Museum offering up to \$5,000,000 in contributions. In fiscal 2019, \$1,850,000 was contributed to the Museum by the Province (2018 - \$1,400,000) and is included in revenue in Restricted Fund - Special Projects. Up to a further \$1,750,000 may be contributed by the Province in fiscal 2020 and fiscal 2021, subject to certain terms and conditions being met.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2019

14. Financial risks:

The Museum believes that it is not exposed to significant interest-rate, market or credit risk arising from its financial instruments.

In relation to liquidity risk, which is the risk that the Museum will be unable to fulfill its obligations on a timely basis or at a reasonable cost, the Museum manages its liquidity risk by monitoring its operating requirements. The Museum prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2018.

THE MANITOBA MUSEUM

Non-Consolidated Schedule - Other Restricted Funds Summary

Year ended March 31, 2019

	Fund balance March 31, 2018	Project revenue (refund/ transfer)	Project expenses	Inter-fund transfers	Fund balance March 31, 2019
Special Projects Fund:					
Government of Canada grants:					
Young Canada Works	\$ (1,150)	\$ 20,170	\$ 19,020	\$ -	\$ -
Canada Summer Jobs	-	2,676	2,676	-	-
Canadian History Fur Trade Program	1,340	-	-	-	1,340
Cafe Scientifique	2,574	-	-	-	2,574
Nice Women Don't Want the Vote (MAP)	13,539	-	76	-	13,463
Province of Manitoba:					
Building Accessibility	4,207	-	-	-	4,207
Multiple Visitation Program	836	-	339	-	497
Thule Harpoon Replica	3	-	-	-	3
Churchill River Diversion Archaeology Project	140	-	140	-	-
Churchill River Diversion Phase 2	439	-	439	-	-
System Wide Archaeology Project	644	-	644	-	-
Bringing our Stories Forward (BOSF):					
Capital Support (note 13)	1,904,645	3,343,608	272,382	(1,584,808)	3,391,063
Program Support	944	-	-	-	944
Grasslands Collaborative Curatorial Tour	867	-	851	-	16
Rural Community Outreach	1,395	-	115	-	1,280
External Conservation Projects	11,605	-	7,190	(7,549)	(3,134)
Newcomer Film	2,272	-	1,547	-	725
Canadian First World War Internment Research Fund	(2,250)	19,125	-	(16,875)	-
Urban Renewal - Strike 1919	-	109,500	21,917	(74,318)	13,265
The Manitoba Museum Foundation Incorporated:					
Science Gallery Exhibits	461	-	-	-	461
Museum Gallery Exhibits	7,279	-	-	-	7,279
John D. Atchison Research Project	1,004	-	-	-	1,004
Plesiosaur Fossil Exhibits	9,700	(1,750)	2,205	-	5,745
Renewal of Continental Trade Networks Exhibit	2,800	-	-	-	2,800
Planned Giving Program	9,927	3,550	3,280	-	10,197
Arviat Community Research Trip	1,914	-	-	-	1,914
Bird's Eye View	6,237	-	-	-	6,237
Identification of Mixed-grass Prairie Plant Species	343	-	-	-	343
Trading Posts in Western and Northern Canada	237	-	-	-	237
Geology Research for the Grasslands Gallery	1,484	-	110	-	1,374
Archaeology Collection Research for Gallery Renewal	4,624	-	-	-	4,624
York Factory Community Consultations Gallery Renewal	3,495	-	-	-	3,495
Nonsuch Rigging Project	378	-	378	-	-
Carried forward	1,991,933	3,496,879	333,309	(1,683,550)	3,471,953

THE MANITOBA MUSEUM

Non-Consolidated Schedule - Other Restricted Funds Summary (continued)

Year ended March 31, 2019

	Fund balance March 31, 2018	Project revenue (refund/ transfer)	Project expenses	Inter-fund transfers	Fund balance March 31, 2019
Brought forward	\$ 1,991,933	\$ 3,496,879	\$ 333,309	\$ (1,683,550)	\$ 3,471,953
The Manitoba Museum Foundation					
Incorporated (continued):					
Loon Beardy Painting Refurbishment	1,528	—	—	—	1,528
Gallery Mural Addition and Replacement Project	4,386	—	3,183	—	1,203
Conservation Upgrades for "Meteorites of Manitoba"	6,000	—	—	—	6,000
HBC Coat of Arms	495	—	—	—	495
Indigenous Gallery Content Renewal	7,596	3,275	714	—	10,157
Digitization Projects	1,450	—	1,333	—	117
Flora of Manitoba: Historical Plant Tracking	—	7,855	7,855	—	—
Southwest Manitoba Fur Trade: Archaeological Survey	—	2,294	1,666	—	628
The William Lake Fossil Biota: Instrumental Analyses	—	3,000	155	—	2,845
Visitor Experience Survey	—	15,000	14,642	—	358
Other grants/special projects:					
Repatriation Budget	1,155	—	—	—	1,155
Vertebrate Research Publication	1,951	—	—	—	1,951
Manitoba Robot Games	178	—	178	—	—
Nonsuch Maintenance	23,233	—	—	—	23,233
Alloway World Exhibits	59,999	—	—	—	59,999
Culture on Every Corner	13,652	(13,263)	389	—	—
HBC History Foundation	3,194	—	—	—	3,194
Collections Database Technical Upgrade	2,000	—	—	—	2,000
Nice Women Don't Want The Vote	8,929	—	—	—	8,929
Treaty Exhibit - Parklands Gallery	5,448	1,765	—	—	7,213
Stories of the Old Ones	405	13,801	14,206	—	—
Prairie Pollination VMC	9,444	—	1,773	—	7,671
Braiding Histories	5,713	—	—	—	5,713
Media Players Replacement (Ancient Seas)	—	3,150	—	(3,150)	—
Cultural Initiatives	6,445	8,000	6,014	(1,000)	7,431
Winnipeg Foundation Intern	759	—	—	—	759
Spirit Lines	12,744	—	—	—	12,744
Aboriginal Resident Scholar Program	13,000	15,000	13,000	—	15,000
Adult Sci-curious Evening Developer	718	—	—	—	718
Collections Storage Upgrade	1,847	10,000	8,920	—	2,927
Innovation 150	854	—	—	—	854
Lord Selkirk Collection Repatriation Project	12,000	4,480	—	—	16,480
Six Seasons SSHRC	12,709	—	10,547	—	2,162
Loon Beardy Exhibition Refurbishment	4,335	4,700	—	—	9,035
Kish Kishin: Do You Remember	5,000	6,500	7,842	—	3,658
Green Team	—	1,882	1,882	—	—
YMCA - Summer Work Student Exchange	—	6,837	6,837	—	—
Sustainability	—	53	—	—	53
Vikings Exhibit	—	2,055	2,055	—	—
Treaty 3 Retrofit - Parklands	—	2,000	—	—	2,000
Total Special Projects Fund	2,219,100	3,595,263	436,500	(1,687,700)	3,690,163
Working Capital Reserve Fund:					
Arts Stabilization Manitoba, Inc. (note 3)	500,000	—	—	—	500,000
Total other restricted funds	\$ 2,719,100	\$ 3,595,263	\$ 436,500	\$ (1,687,700)	\$ 4,190,163