

Non-Consolidated Financial Statements of

THE MANITOBA MUSEUM

And Independent Auditors' Report thereon

Year ended March 31, 2022



KPMG LLP
1900 - 360 Main Street
Winnipeg MB
R3C 3Z3

Telephone (204) 957-1770
Fax (204) 957-0808
www.kpmg.ca

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, 2022, 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, 2022, 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

June 20, 2022

THE MANITOBA MUSEUM

Non-Consolidated Statement of Financial Position

March 31, 2022, with comparative information for 2021

	General Fund	Properties Fund	Other Restricted Funds	2022	2021
Assets					
Current assets:					
Cash	\$ 3,564,968	\$ –	\$ –	\$ 3,564,968	\$ 1,794,657
Restricted cash (note 3)	500,000	–	–	500,000	500,000
Marketable securities	5,519	–	–	5,519	4,692
Accounts receivable:					
Grants (note 10)	244,348	–	40,000	284,348	571,932
Other	93,087	–	–	93,087	96,563
Due from The Manitoba Museum Foundation Incorporated	–	–	–	–	31,269
Inventories	42,082	–	–	42,082	60,764
Prepaid expenses	374,822	–	–	374,822	331,794
Investments (note 4)	1,000,000	–	–	1,000,000	1,000,000
Inter-fund loans (note 12)	(1,507,662)	(268,810)	1,776,472	–	–
	4,317,164	(268,810)	1,816,472	5,864,826	4,391,671
Properties (note 5)	–	32,843,449	–	32,843,449	33,572,464
Accrued benefit asset (note 7)	3,181,135	–	–	3,181,135	2,965,197
	\$ 7,498,299	\$ 32,574,639	\$ 1,816,472	\$ 41,889,410	\$ 40,929,332

Liabilities and Fund Balances

Current liabilities:					
Accounts payable and accrued liabilities (note 8)	\$ 1,550,207	\$ –	\$ –	\$ 1,550,207	\$ 2,001,755
Due to The Manitoba Museum Foundation Incorporated	59,764	–	–	59,764	–
	1,609,971	–	–	1,609,971	2,001,755
Accrued benefit liability (note 7)	421,836	–	–	421,836	427,922
Fund balances:					
Invested in properties	–	32,574,639	–	32,574,639	33,303,654
Externally restricted	–	–	1,316,472	1,316,472	880,580
Externally restricted working capital reserve (note 3)	–	–	500,000	500,000	500,000
Internally restricted (note 9)	4,350,844	–	–	4,350,844	2,914,995
Unrestricted	1,115,648	–	–	1,115,648	900,426
	5,466,492	32,574,639	1,816,472	39,857,603	38,499,655
	\$ 7,498,299	\$ 32,574,639	\$ 1,816,472	\$ 41,889,410	\$ 40,929,332

See accompanying notes to non-consolidated financial statements.

Governor

Governor

THE MANITOBA MUSEUM

Non-Consolidated Statement of Operations and Changes in Fund Balances

Year ended March 31, 2022, with comparative information for 2021

	2022						2021			
	General Fund			Restricted Funds			2022 Total	General Fund	Restricted Funds	2021 Total
	Unrestricted	Internally Restricted	Total	Properties	Special Projects	Total				
Revenue:										
Grants (note 10)	\$ 3,750,553	\$ –	\$ 3,750,553	\$ –	\$ –	\$ –	\$ 3,750,553	\$ 3,499,300	\$ –	\$ 3,499,300
Fundraising (note 11)	449,026	–	449,026	–	–	–	449,026	407,440	–	407,440
Contributions (notes 12 and 13)	–	20,276	20,276	–	932,786	932,786	953,062	10,436	1,407,546	1,417,982
Admission	369,679	–	369,679	–	–	–	369,679	102,145	–	102,145
Museum shop	20,549	–	20,549	–	–	–	20,549	12,269	–	12,269
Contract services	120,597	–	120,597	–	–	–	120,597	17,159	–	17,159
Donations-in-kind	21,060	–	21,060	46,416	–	46,416	67,476	33,149	24,975	58,124
Memberships	121,488	–	121,488	–	–	–	121,488	44,727	–	44,727
Other income	151,869	–	151,869	–	–	–	151,869	82,227	–	82,227
	5,004,821	20,276	5,025,097	46,416	932,786	979,202	6,004,299	4,208,852	1,432,521	5,641,373
Expenses:										
Salaries and employee benefits	3,749,757	–	3,749,757	–	9,476	9,476	3,759,233	3,336,383	67,344	3,403,727
Research, collections and exhibitions	64,924	–	64,924	–	54,491	54,491	119,415	118,072	611,206	729,278
Education and interpretation	60,103	–	60,103	–	108,317	108,317	168,420	7,403	21,086	28,489
Marketing and public relations	160,976	25,385	186,361	–	970	970	187,331	123,811	–	123,811
Fundraising and development	34,494	4,540	39,034	–	1,930	1,930	40,964	60,887	93	60,980
Central services	553,451	7,293	560,744	–	59,541	59,541	620,285	416,639	–	416,639
Staff development and opportunity fund	14,269	13,290	27,559	–	–	–	27,559	97,893	–	97,893
Security	147,594	–	147,594	–	–	–	147,594	130,012	–	130,012
Museum shop	19,490	–	19,490	–	–	–	19,490	11,554	–	11,554
Goods and services received in-kind	21,060	–	21,060	–	–	–	21,060	33,149	–	33,149
Amortization of properties	–	–	–	1,051,790	–	1,051,790	1,051,790	–	864,479	864,479
	4,826,118	50,508	4,876,626	1,051,790	234,725	1,286,515	6,163,141	4,335,803	1,564,208	5,900,011
Excess (deficiency) of revenue over expenses before the undernoted	178,703	(30,232)	148,471	(1,005,374)	698,061	(307,313)	(158,842)	(126,951)	(131,687)	(258,638)
Government COVID-19 support programs (note 10)	1,316,431	–	1,316,431	–	–	–	1,316,431	2,181,925	–	2,181,925
Excess (deficiency) of revenue over expenses	1,495,134	(30,232)	1,464,902	(1,005,374)	698,061	(307,313)	1,157,589	2,054,974	(131,687)	1,923,287
Fund balance, beginning of year	900,426	2,914,995	3,815,421	33,303,654	1,380,580	34,684,234	38,499,655	1,927,193	34,699,342	36,626,535
Transfer of funds for purchase of properties	(87,753)	2,747	(85,006)	276,359	(191,353)	85,006	–	(196,412)	196,412	–
Transfer of funds for internally restricted expenditures (note 9)	–	(1,666)	(1,666)	–	1,666	1,666	–	79,833	(79,833)	–
Transfer of funds for internally restricted projects (note 9)	(1,465,000)	1,465,000	–	–	–	–	–	–	–	–
Transfer of funds from special projects to unrestricted (note 9)	72,482	–	72,482	–	(72,482)	(72,482)	–	–	–	–
Remeasurement of accrued benefit asset	187,443	–	187,443	–	–	–	187,443	(55,347)	–	(55,347)
Remeasurement of accrued benefit liability	12,916	–	12,916	–	–	–	12,916	5,180	–	5,180
Fund balance, end of year	\$ 1,115,648	\$ 4,350,844	\$ 5,466,492	\$ 32,574,639	\$ 1,816,472	\$ 34,391,111	\$ 39,857,603	\$ 3,815,421	\$ 34,684,234	\$ 38,499,655

See accompanying notes to non-consolidated financial statements.

THE MANITOBA MUSEUM

Non-Consolidated Statement of Cash Flows

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities		
Excess of revenue over expenses	\$ 1,157,589	\$ 1,923,287
Items not affecting cash:		
Amortization	1,051,790	864,479
Donation of artifacts	(46,416)	(24,975)
Change in non-cash operating working capital:		
Accounts receivable	291,060	775,631
Due from The Manitoba Museum Foundation		
Incorporated	91,033	81,573
Inventories	18,682	9,930
Prepaid expenses	(43,028)	98,272
Accounts payable and accrued liabilities	(451,548)	11,182
Accrued benefit liability	6,830	(68,876)
Accrued benefit asset	(28,495)	(171,967)
	2,047,497	3,498,536
Investing activities:		
Purchase of investments, net	–	3,000,000
Purchase of properties	(276,359)	(5,284,717)
Change in marketable securities	(827)	(89)
	(277,186)	(2,284,806)
Increase in cash	1,770,311	1,213,730
Cash, beginning of year	1,794,657	580,927
Cash, end of year	\$ 3,564,968	\$ 1,794,657

See accompanying notes to non-consolidated financial statements.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements

Year ended March 31, 2022

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, 2022 and March 31, 2021 and the results of operations for the years then ended are as follows:

	2022	2021
Assets	\$ 74,548	\$ 165,117
Liabilities	\$ 1,900	\$ 94,379
Unrestricted net assets	72,648	70,738
	\$ 74,548	\$ 165,117
Results of operations:		
Revenue	\$ 132,878	\$ 173,607
Operating expenses	130,968	151,232
Excess of revenue over expenses	\$ 1,910	\$ 22,375

(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 MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

2. Significant accounting policies (continued):

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.
- (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.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

2. Significant accounting policies (continued):

(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. 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.

Properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. When circumstances indicate that properties is impaired, the net carrying amount of properties is written down to the asset's fair value or replacement cost. The write-down of the asset is charged to income during the year. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

(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 MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

2. Significant accounting policies (continued):

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, 2018 and December 31, 2021, 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.

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.

The Museum makes periodic applications for financial assistance under available government incentive programs.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

2. Significant accounting policies (continued):

Government assistance related to current expenses is included in the determination of revenue for the year when the related expenditures are incurred. A liability to repay government assistance, if any, is recorded in the period in which the conditions arise that causes the assistance to become repayable.

(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 2,600 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 expensed 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.

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.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

2. Significant accounting policies (continued):

(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, 2022, the Museum had \$500,000 (2021 - \$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, 2022, the Museum has invested \$1,000,000 (2021 - \$1,000,000) in guaranteed investment certificates with an average interest rate of 2.2 percent (2021 - 1.85 percent) and maturing April 29, 2022. 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.

5. Properties:

			2022	2021
	Cost	Accumulated amortization	Net book value	Net book value
Artifacts	\$ 14,106,232	\$ -	\$ 14,106,232	\$ 13,947,772
Exhibits	23,306,255	8,860,990	14,445,265	15,118,964
Furnishings and equipment	4,448,860	3,672,275	776,585	884,612
Library	832,472	638,330	194,142	200,461
Leasehold improvements	10,757,850	7,436,625	3,321,225	3,420,655
	\$ 53,451,669	\$ 20,608,220	\$ 32,843,449	\$ 33,572,464

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

5. Properties (continued):

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

	2022	2021
Acquisition of properties:		
Purchases:		
Artifacts	\$ 112,045	\$ 3,714
Furnishings and equipment	2,720	224,297
Exhibits	84,358	4,984,764
Library	3,799	2,307
Leasehold improvements	73,437	69,635
	276,359	5,284,717
Donations in-kind:		
Artifacts	46,416	24,975
Increase in properties	322,775	5,309,692
Properties, beginning of year, at cost	53,128,894	47,819,202
Properties, end of year, at cost	\$ 53,451,669	\$ 53,128,894

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, 2022.

7. Employee future benefits:

	2022		2021	
	Defined benefit pension plan	Long service benefit plan	Defined benefit pension plan	Long service benefit plan
Fair value of plan assets	\$ 23,096,833	\$ –	\$ 22,461,398	\$ –
Accrued benefit obligation	(16,873,758)	(421,836)	(16,533,527)	(427,922)
Valuation allowance	(3,041,940)	–	(2,962,674)	–
Accrued benefit asset (accrued benefit liability)	\$ 3,181,135	\$ (421,836)	\$ 2,965,197	\$ (427,922)

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

8. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$3,417 (2021 - \$51,116), which includes amounts payable for federal and provincial sales tax and payroll related taxes.

9. Fund balances:

(a) 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:

	2022	2021
Rentals - capital equipment acquisition	\$ 3,512	\$ 3,512
Human resources - training and development	116,246	89,536
Planetarium - capital acquisitions	3,431	8,107
New publications projects	12,538	12,538
Alloway World Exhibits - major exhibition hosting	281,553	281,554
Nonsuch conservation	9,522	9,522
I.T capital projects and infrastructure - hardware and software	426,757	427,090
Capital renewal projects - research and development	155,195	155,193
New exhibitions - planning, research and development	70,283	56,457
Earned revenue projects - planning, development and implementation	474	474
Manitoba Museum - 50 th anniversary planning and special projects	64,374	75,820
Museum collections acquisitions	4,540	4,840
Facilities capital upgrades/improvements	646,207	152,465
Museum Website (formerly Museum branding)	245,657	176,931
Repatriation (including Homeward Journey Project)	308,170	8,571
Conservation and HVAC maintenance	10,240	10,240
Benefit plan reserve - Health and Dental	42,145	42,145
Museum visitor experience	350,000	-
COVID-19 recovery fund	1,600,000	1,400,000
	\$ 4,350,844	\$ 2,914,995

During the year ended March 31, 2022, the Board of Governors approved a transfer within the General Fund from the unrestricted fund balance to the internally restricted fund balance of \$1,465,000 (2021 - \$1,975,000) for the following projects: Repatriation for \$300,000; facilities capital upgrades/improvements for \$500,000; Museum visitor experience for \$350,000; Museum website for \$75,000; COVID-19 recovery fund for \$200,000; and human resources - training and development for \$40,000.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

9. Fund balances (continued):

In addition, a transfer of \$1,666 was made from internally restricted net assets of the General Fund to the Restricted Fund - Special Projects during the year ended March 31, 2022. During the year ended March 31, 2021, a transfer of \$79,833 from Restricted Fund - Special Projects to internally restricted net assets of the General Fund for capital and endowment campaign expenditures related to Bringing Our Stories Forward.

(b) Unrestricted:

For the year ended March 31, 2022, a transfer of \$72,482 (2021 - nil) was made from the Restricted Fund - Special Projects to the unrestricted net assets of the General Fund. This transfer included support by the Province of Manitoba for free admission and programming of Orange Shirt Days and Manitoba Day.

10. Grants:

	2022 General Fund	2021 General Fund
Province of Manitoba	\$ 3,269,800	\$ 3,269,800
HBC History Foundation Grant	130,000	130,000
The City of Winnipeg	49,500	49,500
Province of Manitoba Arts & Culture Sustainability Fund	300,000	–
Province of Manitoba Retrain Manitoba	1,253	–
Province of Manitoba Safe at Home Grant	–	50,000
	3,750,553	3,499,300
Canada Emergency Wage Subsidy	702,668	2,166,925
Tourism and Hospitality Recovery Program	584,763	–
Province of Manitoba Bridge Grant	5,000	15,000
Province of Manitoba Sector Support Program	24,000	–
	1,316,431	2,181,925
	\$ 5,066,984	\$ 5,681,225

For the year ended March 31, 2022, the Museum has claimed \$702,668 (2021 - \$2,166,925) and \$584,763 (2021 - nil) under the Government of Canada's Canada Emergency Wage Subsidy and Tourism and Hospitality Recovery Program, respectively, for reimbursements of salaries with \$231,848 (2021 - \$390,059) included in accounts receivable at March 31, 2022.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

11. Fundraising:

	2022	2021
Individual	\$ 242,615	\$ 309,740
Special events	99,711	–
Sponsorship	106,700	97,700
	<u>\$ 449,026</u>	<u>\$ 407,440</u>

12. Related party transactions:

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

	2022	2021
Grants received from the Foundation	\$ 94,112	\$ 60,051
Administration fee recovery - included in other income of the General Fund	1,065	1,065
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. In fiscal 2021, the Museum completed construction of the new Winnipeg Gallery. The BOSF project reached substantial completion in fiscal 2021 with the renewal of the Prairies and Welcome Galleries. The remaining funds of the project have been allocated to identified BOSF items that will continue into fiscal 2023.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2022

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 2021.

15. COVID-19 impact:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This had resulted in governments worldwide, including the Canadian and Manitoba governments, enacting emergency measures to combat the spread to the virus.

These measures, which included implementation of travel bans, self-imposed quarantine periods, and social distancing, have caused material disruption to businesses globally and in Manitoba resulting in an economic slowdown. Government and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions however the success of these interventions is not currently determinable.

During fiscal 2021 and fiscal 2022, the Museum experienced multiple closures and reduced capacity as a result of public health restrictions caused by the COVID-19 pandemic. The COVID-19 pandemic has had a significant impact on the Museum's operations particularly on the Museum admissions, memberships, and special program revenues. The Museum accessed certain government assistance programs to assist with the impact of COVID-19 on the Museum's operations. This includes access to government subsidies to assist with the Museum's expenditures (note 10).

The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effects on the Museum is not known at this time.

THE MANITOBA MUSEUM

Non-Consolidated Schedule - Other Restricted Funds Summary

Year ended March 31, 2022

	Fund balance March 31, 2021	Project revenue (refund/ transfer)	Project expenses	Inter-fund transfers	Fund balance March 31, 2022
Special Projects Fund:					
Government of Canada grants:					
Young Canada Works	\$ -	\$ 3,969	\$ 11,238	\$ -	\$ (7,269)
Nice Women Don't Want the Vote (MAP)	13,463	-	-	-	13,463
Nametwaawin: Land and Language	51,658	16,613	56,994	-	11,277
Province of Manitoba:					
Building Accessibility	4,207	-	-	-	4,207
Bringing our Stories Forward (BOSF):					
Capital Support (note 13)	450,568	612,713	64,234	(62,015)	937,032
Program Support	944	-	-	-	944
BOSF Capital Campaign Endowment	-	14,276	-	-	14,276
Grasslands Collaborative Curatorial Tour	16	-	-	(16)	-
Rural Community Outreach	1,280	-	319	(961)	-
Newcomer Film	725	-	-	(725)	-
Urban Renewal - Strike 1919	18,730	-	5,381	-	13,349
The Manitoba Museum Foundation Incorporated:					
Museum Gallery Exhibits	7,279	-	-	-	7,279
John D. Atchison Research Project	1,004	-	-	(1,004)	-
Planned Giving Program	12,192	-	1,930	-	10,262
Arviat Community Research Trip	1,914	-	-	(1,914)	-
Bird's Eye View	6,237	-	-	-	6,237
Trading Posts in Western and Northern Canada	237	-	-	(237)	-
Geology Research for the Grasslands Gallery	367	-	-	(367)	-
Archaeology Collection Research for Gallery Renewal	4,624	-	-	-	4,624
York Factory Community Consultations Gallery Renewal	3,495	-	-	-	3,495
Loon Beardy Painting Refurbishment	1,528	-	-	(1,528)	-
Conservation Upgrades for "Meteorites of Manitoba"	6,000	-	-	-	6,000
HBC Coat of Arms	495	-	495	-	-
Indigenous Gallery Content Renewal	4,106	-	188	-	3,918
Flora of Manitoba: Historical Plant Tracking	2,100	-	-	-	2,100
Southwest Manitoba Fur Trade: Archaeological Survey	628	-	-	(628)	-
The William Lake Fossil Biota: Instrumental Analyses	2,845	-	-	-	2,845
Carried forward	596,642	647,571	140,779	(69,395)	1,034,039

THE MANITOBA MUSEUM

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

Year ended March 31, 2022

	Fund balance March 31, 2021	Project revenue (refund/ transfer)	Project expenses	Inter-fund transfers	Fund balance March 31, 2022
Brought forward	\$ 596,642	\$ 647,571	\$ 140,779	\$ (69,395)	\$ 1,034,039
The Manitoba Museum Foundation					
Incorporated (continued):					
Visitor Experience Survey	289	—	—	(289)	—
Monitoring Populations and Phenology of SW MB Amphibians	3,777	—	—	—	3,777
Fossil Athropods at the Airport Cove site, Churchill	6,111	—	—	—	6,111
Field Acquisition of Materials for the Grasslands Gallery	7,355	—	—	—	7,355
Urban Gallery Renewal - Urban Gallery Mannequin Replacement	896	—	—	(896)	—
Focus Stacking Digital Equipment for Grasslands Exhibits	699	—	699	—	—
Fieldwork & Research for Reconciliation & Indigenous Content	10,787	—	1,306	—	9,481
Duck Mountain Cougar Prep	5,000	—	—	—	5,000
Anishinaabe Language Treaty Research for Plains Gallery	3,000	—	—	—	3,000
A collection for Manitoba Churchill Reconnaissance Curatorial Research Trip	1,061	—	(133)	(1,194)	—
Winnipeg 1920 Cityscape Phases 1-3	—	37,244	—	—	37,244
Other grants/special projects:	—	31,773	9,842	(18,448)	3,483
Vertebrate Research Publication	1,951	—	—	(1,951)	—
Nonsuch Maintenance	23,007	—	—	—	23,007
Alloway World Exhibits	59,999	—	—	—	59,999
HBC History Foundation	634	—	—	(634)	—
Collections Database Technical Upgrade	2,000	—	—	(2,000)	—
Nice Women Don't Want The Vote	8,929	—	—	—	8,929
Treaty Exhibit - Parklands Gallery	10,476	2,850	3,087	—	10,239
Prairie Pollination VMC	5,212	—	420	—	4,792
Cultural Initiatives	7,690	—	532	—	7,158
Winnipeg Foundation Intern	759	—	—	—	759
Spirit Lines	12,744	—	296	—	12,448
Aboriginal Resident Scholar Program	25,140	27,000	16,912	—	35,228
Lord Selkirk Collection Repatriation Project	107	—	—	(107)	—
Six Seasons SSHRC	23	—	—	(23)	—
Kish Kishin: Do You Remember	600	—	—	(600)	—
Sustainability	153	—	—	—	153
Treaty 3 Retrofit - Parklands	7,450	—	299	—	7,151
MSP Program Development Fund	11,710	—	—	—	11,710
WAC - Arts Leader Fellowship	1,379	—	970	—	409
HBC Charter	—	—	—	—	—
Manitoba 150	40,000	—	—	(40,000)	—
Museum Brand Project	25,000	—	—	—	25,000
Orange Shirt Days	—	50,000	30,711	(19,289)	—
Paul Kane Painting	—	107,638	—	(107,638)	—
Travel Manitoba Planetarium Shows	—	25,000	29,005	4,005	—
Kolada Beaded Jacket	—	3,710	—	(3,710)	—
Total Special Projects Fund	880,580	932,786	234,725	(262,169)	1,316,472
Working Capital Reserve Fund:					
Arts Stabilization Manitoba, Inc. (note 3)	500,000	—	—	—	500,000
Total other restricted funds	\$ 1,380,580	\$ 932,786	\$ 234,725	\$ (262,169)	\$ 1,816,472