

Non-Consolidated Financial Statements of

THE MANITOBA MUSEUM

And Independent Auditor's Report thereon

Year ended March 31, 2023



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

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

INDEPENDENT AUDITOR'S 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, 2023, 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, 2023, 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 "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's 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.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 23, 2023

THE MANITOBA MUSEUM

Non-Consolidated Statement of Financial Position

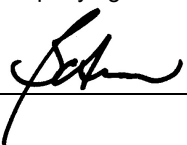
March 31, 2023, with comparative information for 2022

	General Fund	Properties Fund	Other Restricted Funds	2023	2022
Assets					
Current assets:					
Cash	\$ 663,636	\$ –	\$ –	\$ 663,636	\$ 3,564,968
Restricted cash (note 3)	500,000	–	–	500,000	500,000
Marketable securities	5,022	–	–	5,022	5,519
Accounts receivable:					
Grants (note 10)	–	–	5,000	5,000	284,348
Other	284,337	–	503,024	787,361	93,087
Inventories	30,944	–	–	30,944	42,082
Prepaid expenses	43,018	–	–	43,018	374,822
Investments (note 4)	4,000,000	–	–	4,000,000	1,000,000
Inter-fund loans (note 12)	(1,343,194)	(268,810)	1,612,004	–	–
	4,183,763	(268,810)	2,120,028	6,034,981	5,864,826
Properties (note 5)	–	32,450,152	–	32,450,152	32,843,449
Accrued benefit asset (note 7)	2,588,762	–	–	2,588,762	3,181,135
	\$ 6,772,525	\$ 32,181,342	\$ 2,120,028	\$ 41,073,895	\$ 41,889,410

Liabilities and Fund Balances

Current liabilities:					
Accounts payable and accrued liabilities (note 8)	\$ 882,971	\$ –	\$ –	\$ 882,971	\$ 1,550,207
Due to The Manitoba Museum Foundation Incorporated	102,481	–	–	102,481	59,764
	985,452	–	–	985,452	1,609,971
Accrued benefit liability (note 7)	392,369	–	–	392,369	421,836
Fund balances:					
Invested in properties	–	32,181,342	–	32,181,342	32,574,639
Externally restricted	–	–	1,620,028	1,620,028	1,316,472
Externally restricted working capital reserve (note 3)	–	–	500,000	500,000	500,000
Internally restricted (note 9)	4,986,282	–	–	4,986,282	4,350,844
Unrestricted	408,422	–	–	408,422	1,115,648
	5,394,704	32,181,342	2,120,028	39,696,074	39,857,603
	\$ 6,772,525	\$ 32,181,342	\$ 2,120,028	\$ 41,073,895	\$ 41,889,410

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, 2023, with comparative information for 2022

	2023						2022			
	General Fund			Restricted Funds			2023 Total	General Fund	Restricted Funds	2022 Total
	Unrestricted	Internally Restricted	Total	Properties	Special Projects	Total				
Revenue:										
Grants (note 10)	\$ 3,751,900	\$ –	\$ 3,751,900	\$ –	\$ –	\$ –	\$ 3,751,900	\$ 3,750,553	\$ –	\$ 3,750,553
Fundraising (note 11)	508,884	–	508,884	–	–	–	508,884	449,026	–	449,026
Contributions (notes 12 and 13)	–	44,706	44,706	–	1,058,003	1,058,003	1,102,709	20,276	932,786	953,062
Admission	1,236,772	–	1,236,772	–	–	–	1,236,772	369,679	–	369,679
Museum shop	129,994	–	129,994	–	–	–	129,994	20,549	–	20,549
Contract services	33,181	–	33,181	–	–	–	33,181	120,597	–	120,597
Donations-in-kind	136,470	–	136,470	106,843	–	106,843	243,313	21,060	46,416	67,476
Memberships	319,034	–	319,034	–	–	–	319,034	121,488	–	121,488
Other income	413,273	254,635	667,908	–	–	–	667,908	151,869	–	151,869
	6,529,508	299,341	6,828,849	106,843	1,058,003	1,164,846	7,993,695	5,025,097	979,202	6,004,299
Expenses:										
Salaries and employee benefits	\$ 3,888,027	\$ 21,874	\$ 3,909,901	\$ –	\$ 49,772	\$ 49,772	\$ 3,959,673	\$ 3,749,757	\$ 9,476	\$ 3,759,233
Community Initiatives	16,158	–	16,158	–	–	–	16,158	–	–	–
Research, collections and exhibitions	79,028	398,362	477,390	–	114,412	114,412	591,802	64,924	54,491	119,415
Education and interpretation	75,803	–	75,803	–	58,097	58,097	133,900	60,103	108,317	168,420
Marketing and public relations	306,018	84,237	390,255	–	–	–	390,255	186,361	970	187,331
Fundraising and development	66,128	–	66,128	–	6	6	66,134	39,034	1,930	40,964
Central services	545,867	32,734	578,601	–	214,163	214,163	792,764	560,744	59,541	620,285
Staff development and opportunity fund	46,856	43,225	90,081	–	2,929	2,929	93,010	27,559	–	27,559
Security	221,457	–	221,457	–	–	–	221,457	147,594	–	147,594
Museum shop	113,659	–	113,659	–	–	–	113,659	19,490	–	19,490
Goods and services received in-kind	136,470	–	136,470	–	–	–	136,470	21,060	–	21,060
Amortization of properties	–	–	–	1,015,538	–	1,015,538	1,015,538	–	1,051,790	1,051,790
	5,495,471	580,432	6,075,903	1,015,538	439,379	1,454,917	7,530,820	4,876,626	1,286,515	6,163,141
Excess (deficiency) of revenue over expenses before the undernoted	\$ 1,034,037	\$ (281,091)	\$ 752,946	\$ (908,695)	\$ 618,624	\$ (290,071)	\$ 462,875	\$ 148,471	\$ (307,313)	\$ (158,842)
Government COVID-19 support programs (note 10)	–	–	–	–	–	–	–	1,316,431	–	1,316,431
Excess (deficiency) of revenue over expenses	\$ 1,034,037	\$ (281,091)	\$ 752,946	\$ (908,695)	\$ 618,624	\$ (290,071)	\$ 462,875	\$ 1,464,902	\$ (307,313)	\$ 1,157,589
Fund balance, beginning 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
Transfer of funds for purchase of properties	(239,150)	–	(239,150)	515,398	(276,248)	239,150	–	(85,006)	85,006	–
Transfer of funds for internally restricted expenditures (note 9)	–	–	–	–	–	–	–	(1,666)	1,666	–
Transfer of funds for internally restricted projects (note 9)	(917,000)	917,000	–	–	–	–	–	–	–	–
Transfer of funds from special projects to unrestricted (note 9)	39,291	(471)	38,820	–	(38,820)	(38,820)	–	72,482	(72,482)	–
Remeasurement of accrued benefit asset	(644,540)	–	(644,540)	–	–	–	(644,540)	187,443	–	187,443
Remeasurement of accrued benefit liability	20,136	–	20,136	–	–	–	20,136	12,916	–	12,916
Fund balance, end of year	\$ 408,422	\$ 4,986,282	\$ 5,394,704	\$ 32,181,342	\$ 2,120,028	\$ 34,301,370	\$ 39,696,074	\$ 5,466,492	\$ 34,391,111	\$ 39,857,603

See accompanying notes to non-consolidated financial statements.

THE MANITOBA MUSEUM

Non-Consolidated Statement of Cash Flows

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities		
Excess of revenue over expenses	\$ 462,875	\$ 1,157,589
Items not affecting cash:		
Amortization	1,015,538	1,051,790
Donation of artifacts	(106,843)	(46,416)
Change in non-cash operating working capital:		
Accounts receivable	(414,926)	291,060
Inventories	11,138	18,682
Prepaid expenses	331,804	(43,028)
Accounts payable and accrued liabilities	(667,236)	(451,548)
Due to The Manitoba Museum Foundation		
Incorporated	42,717	91,033
Accrued benefit liability	(9,331)	6,830
Accrued benefit asset	(52,167)	(28,495)
	613,569	2,047,497
Investing activities:		
Purchase of investments, net	(3,000,000)	–
Purchase of properties	(515,398)	(276,359)
Change in marketable securities	497	(827)
	(3,514,901)	(277,186)
Increase (decrease) in cash	(2,901,332)	1,770,311
Cash, beginning of year	3,564,968	1,794,657
Cash, end of year	\$ 663,636	\$ 3,564,968

See accompanying notes to non-consolidated financial statements.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements

Year ended March 31, 2023

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 (ASNPO) 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, 2023 and March 31, 2022 and the results of operations for the years then ended are as follows:

	2023	2022
Assets	\$ 219,011	\$ 74,548
Liabilities	\$ 2,255	\$ 1,900
Unrestricted net assets	216,756	72,648
	\$ 219,011	\$ 74,548
Results of operations:		
Revenue	\$ 242,808	\$ 132,878
Operating expenses	98,700	130,968
Excess of revenue over expenses	\$ 144,108	\$ 1,910

(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, 2023

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, 2023

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 or straight-line method at the following annual rates:

Asset	Rate
Exhibits	5%
Furnishings and equipment	12.5%
Library	5%
Leasehold improvements	5%
Website development	over 7 years

Exhibits in progress and Website 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, 2023

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 using the most recently completed funding valuation. The effective dates of the actuarial valuations used in determining the defined benefit was December 31, 2021.

During the year ended March 31, 2023, the Museum adopted amendments to ASNPO Section 3463, *Reporting Employee Future Benefits by Not-for-Profit Organizations* as a result of amendments to Canadian Accounting Standards for Private Enterprises Section 3462, *Employee Future Benefits*. The amendments require defined benefit plans without a legislative, regulatory or contractual requirement to use an accounting valuation to measure the obligation. The amendment removed the accounting policy choice allowing the measurement of the obligation of the defined benefit plan using an accounting valuation or a funding valuation when certain conditions were met. This amendment impacted the long service benefit plan. As a result of this amendment, the discount rate at April 1, 2022 was revised from 5.25 percent to 3.90 percent and \$42,879 was 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 for the year ended March 31, 2023.

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, 2023

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.

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

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 10,000 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 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.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2023

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, 2023, the Museum had \$500,000 (2022 - \$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.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2023

4. Investments:

At March 31, 2023, the Museum has invested \$4,000,000 (2022 - \$1,000,000) in guaranteed investment certificates with an average interest rate of 3.9 percent (2022 - 2.2 percent). These funds were available for investment principally as a result of internally and externally restricted funds held by the Museum to support various projects/initiatives.

5. Properties:

			2023	2022
	Cost	Accumulated amortization	Net book value	Net book value
Artifacts	\$ 14,217,955	\$ —	\$ 14,217,955	\$ 14,106,232
Exhibits	23,366,044	9,584,748	13,781,296	14,445,265
Furnishings and equipment	4,679,698	3,783,775	895,923	776,585
Library	835,049	648,102	186,947	194,142
Leasehold improvements	10,935,664	7,607,133	3,328,531	3,321,225
Website development	39,500	—	39,500	—
	\$ 54,073,910	\$ 21,623,758	\$ 32,450,152	\$ 32,843,449

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

	2023	2022
Acquisition of properties:		
Purchases:		
Artifacts	\$ 4,880	\$ 112,045
Furnishings and equipment	59,789	2,720
Exhibits	230,838	84,358
Library	2,577	3,799
Leasehold improvements	177,814	73,437
Website development	39,500	—
	515,398	276,359
Donations in-kind:		
Artifacts	106,843	46,416
Increase in properties	622,241	322,775
Properties, beginning of year, at cost	53,451,669	53,128,894
Properties, end of year, at cost	\$ 54,073,910	\$ 53,451,669

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2023

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, 2023.

7. Employee future benefits:

	2023		2022	
	Defined benefit pension plan	Long service benefit plan	Defined benefit pension plan	Long service benefit plan
Fair value of plan assets	\$ 22,431,508	\$ –	\$ 23,096,833	\$ –
Accrued benefit obligation	(19,842,746)	(392,369)	(16,873,758)	(421,836)
Valuation allowance	–	–	(3,041,940)	–
Accrued benefit asset (accrued benefit liability)	\$ 2,588,762	\$ (392,369)	\$ 3,181,135	\$ (421,836)

8. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$12,364 (2022 - \$3,417), which includes amounts payable for federal and provincial sales tax and payroll related taxes.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2023

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:

	2023	2022
Marketing, sales and visitor experience (MSVE) - rentals - capital equipment acquisition	\$ 11,012	\$ 3,512
Human resources - training and development	138,021	116,246
Human resources compassionate medical support	25,000	–
Planetarium - capital acquisitions	4,074	3,431
New publications projects	13,382	12,538
Alloway World Exhibits - major exhibition hosting	140,694	281,553
Nonsuch conservation	9,522	9,522
I.T capital projects and infrastructure - hardware and software	399,533	426,757
Capital renewal projects - research and development	155,195	155,195
New exhibitions - planning, research and development	113,496	70,283
Earned revenue projects - planning, development and implementation	–	474
Manitoba Museum - 50 th anniversary planning and special projects	49,497	64,374
Museum collections acquisitions	4,540	4,540
Facilities capital upgrades/improvements	896,207	646,207
Museum website (formerly Museum branding)	176,304	245,657
Repatriation (including Homeward journey project)	330,303	308,170
Conservation and HVAC maintenance	10,240	10,240
Benefit plan reserve - health and dental	20,272	42,145
Museum visitor experience	700,000	350,000
COVID-19 recovery fund	1,594,490	1,600,000
Manitoba Museum lease renewal study	150,000	–
Equipment and furnishings	25,000	–
Research, collections, and exhibitions (RCE) - equipment and projects	19,500	–
	\$ 4,986,282	\$ 4,350,844

During the year ended March 31, 2023, the Board of Governors approved a transfer within the General Fund from the unrestricted fund balance to the internally restricted fund balance of \$917,000 (2022 - \$1,465,000) for the following projects: Museum visitor experience for \$350,000; facilities capital upgrades/improvements for \$250,000; Manitoba Museum lease renewal study for \$150,000; human resources - training and development for \$65,000; human resources - compassionate medical support for \$25,000; repatriation for \$25,000; equipment and furnishings for \$25,000; research, collections and exhibitions for \$19,500; and marketing, sales and visitor experience (MSVE) - rentals - capital equipment acquisitions for \$7,500.

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2023

9. Fund balances (continued):

(b) Unrestricted:

For the year ended March 31, 2023, a transfer of \$39,291 (2022 - \$72,482) 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 in honour of National Day for Truth and Reconciliation.

10. Grants:

	2023 General Fund	2022 General Fund
Province of Manitoba	\$ 3,269,800	\$ 3,269,800
HBC History Foundation Grant	132,600	130,000
The City of Winnipeg	49,500	49,500
Province of Manitoba Arts & Culture Sustainability Fund	300,000	300,000
Province of Manitoba Retrain Manitoba	–	1,253
	3,751,900	3,750,553
Canada Emergency Wage Subsidy	–	702,668
Tourism and Hospitality Recovery Program	–	584,763
Province of Manitoba Bridge Grant	–	5,000
Province of Manitoba Sector Support Program	–	24,000
	–	1,316,431
	\$ 3,751,900	\$ 5,066,984

For the year ended March 31, 2023, the Museum has claimed nil (2022 - \$702,668) and nil (2022 - \$584,763) under the Government of Canada's Canada Emergency Wage Subsidy and Tourism and Hospitality Recovery Program, respectively, for reimbursements of salaries with nil (2022 - \$231,848) included in accounts receivable at March 31, 2023.

11. Fundraising:

	2023	2022
Individual	\$ 269,082	\$ 242,615
Special events	143,602	99,711
Sponsorship	96,200	106,700
	\$ 508,884	\$ 449,026

THE MANITOBA MUSEUM

Notes to Non-Consolidated Financial Statements (continued)

Year ended March 31, 2023

12. Related party transactions:

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

	2023	2022
Grants received from the Foundation	\$ 58,038	\$ 94,112
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 2022, the Museum completed construction of the new Winnipeg Gallery. The BOSF project reached substantial completion in fiscal 2022 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 2024.

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 2022.

THE MANITOBA MUSEUM

Non-Consolidated Schedule - Other Restricted Funds Summary

Year ended March 31, 2023

	Fund balance March 31, 2022	Project revenue (refund/ transfer)	Project expenses	Inter-fund transfers	Fund balance March 31, 2023
Special Projects Fund:					
Government of Canada grants:					
Young Canada Works	\$ (7,269)	\$ 19,585	\$ 19,799	\$ –	\$ (7,483)
Nice Women Don't Want the Vote (MAP)	13,463	–	–	–	13,463
Nametwaawin: Land and Language	11,276	9,163	18,994	–	1,445
Province of Manitoba:					
Building Accessibility	4,207	–	–	–	4,207
Bringing our Stories Forward (BOSF):					
Capital Support (note 13)	937,032	356,007	19,097	(5,005)	1,268,937
Program Support	944	(944)	–	–	–
BOSF Capital Campaign Endowment	14,276	(14,276)	–	–	–
Urban Renewal - Strike 1919	13,349	–	–	–	13,349
The Manitoba Museum Foundation Incorporated:					
Museum Gallery Exhibits	7,279	–	–	–	7,279
Planned Giving Program	10,262	–	–	–	10,262
Bird's Eye View	6,237	–	–	–	6,237
Archaeology Collection Research for Gallery Renewal	4,624	–	–	–	4,624
York Factory Community Consultations Gallery Renewal	3,495	–	–	–	3,495
Conservation Upgrades for "Meteorites of Manitoba"	6,000	–	–	–	6,000
HBC Coat of Arms	–	–	–	–	–
Indigenous Gallery Content Renewal	3,919	–	205	–	3,714
Flora of Manitoba: Historical Plant Tracking	2,100	–	2,117	17	–
The William Lake Fossil Biota: Instrumental Analyses	2,845	–	–	–	2,845
Monitoring Populations and Phenology of SW MB Amphibians	3,777	–	1,605	–	2,172
Fossil Athropods at the Airport Cove site, Churchill	6,111	–	6,018	(93)	–
Field Acquisition of Materials for the Grasslands Gallery	7,355	–	–	–	7,355
Fieldwork & Research for Reconciliation & Indigenous Content	9,482	–	9,073	–	409
Duck Mountain Cougar Prep	5,000	10,475	112	(4,500)	10,863
Anishinaabe Language Treaty Research for Plains Gallery	3,000	–	–	–	3,000
Churchill Reconnaissance Curatorial Research Trip	37,246	–	32,695	–	4,551
Winnipeg 1920 Cityscape Phases 1-3	3,483	3,500	4,223	(188)	2,572
Indigenous plant knowledge	–	20,000	–	–	20,000
Curatorial notebooks replacement in Museum galleries	–	5,000	–	–	5,000
Mural ice age, earth history gallery	–	3,900	–	–	3,900
Mural - on thin ice - climate change	–	3,350	–	–	3,350
Yellow quill exhibition	–	9,665	7,744	–	1,921
AV replacement	–	4,108	363	–	3,745
Carried forward	\$ 1,109,493	\$ 429,533	\$ 122,045	\$ (9,769)	\$ 1,407,212

THE MANITOBA MUSEUM

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

Year ended March 31, 2023

	Fund balance March 31, 2022	Project revenue (refund/ transfer)	Project expenses	Inter-fund transfers	Fund balance March 31, 2023
Brought forward	\$ 1,109,493	\$ 429,533	\$ 122,045	\$ (9,769)	\$ 1,407,212
Other grants/special projects:					
Nonsuch Maintenance	23,007	—	—	—	23,007
Alloway World Exhibits	59,999	—	—	—	59,999
Nice Women Don't Want the Vote	8,929	—	—	—	8,929
Treaty Exhibit - Parklands Gallery	10,238	—	10,000	—	238
Prairie Pollination VMC	4,792	—	461	—	4,331
Cultural Initiatives	7,158	11,545	13,565	1,854	6,992
Winnipeg Foundation Intern	759	—	—	—	759
Spirit Lines	12,448	—	—	(12,448)	—
Indigenous Resident Scholar Program	35,228	—	17,886	—	17,342
Sustainability	153	—	—	(153)	—
Treaty 3 Retrofit - Parklands	7,151	—	—	—	7,151
MSP Program Development Fund	11,710	—	—	—	11,710
WAC - Arts Leader Fellowship	407	—	—	—	407
Museum Brand Project	25,000	—	—	—	25,000
YMCA - summer work student exchange	—	—	6,086	—	(6,086)
GenAction climate change CASC	—	101,363	45,397	—	55,966
Enriching the visitor experience, building sustainability – Prairies Economic Development Canada	—	465,562	189,314	(276,248)	—
Success skills centre- internship	—	—	2,929	—	(2,929)
Orange shirt days	—	50,000	31,696	(18,304)	—
Total Special Projects Fund	1,316,472	1,058,003	439,379	(315,068)	1,620,028
Working Capital Reserve Fund:					
Arts Stabilization Manitoba, Inc. (note 3)	500,000	—	—	—	500,000
Total other restricted funds	\$ 1,816,472	\$ 1,058,003	\$ 439,379	\$ (315,068)	\$ 2,120,028