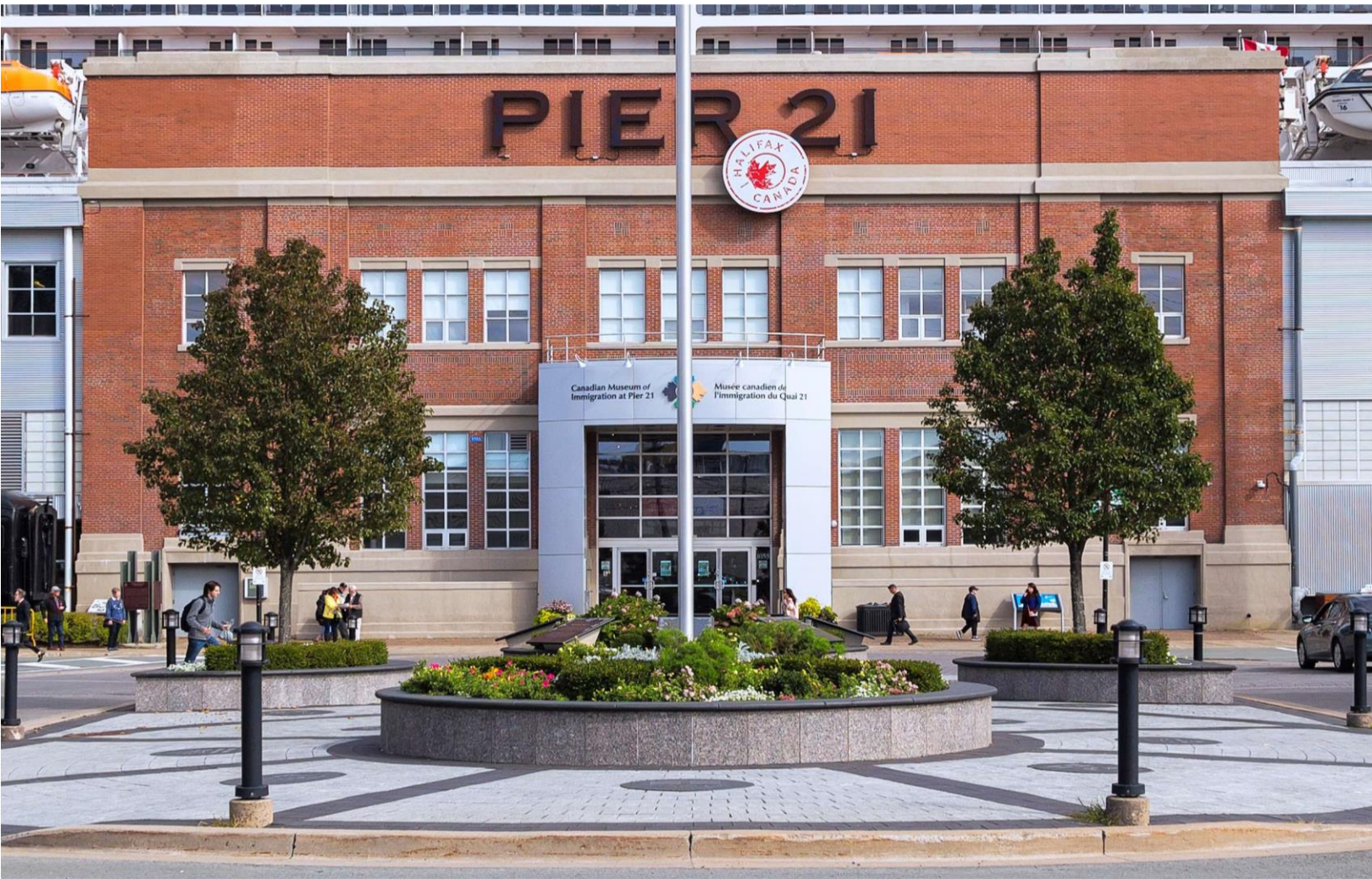


2023-2024

ANNUAL REPORT

Canadian Museum of Immigration at Pier 21



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

Canada

Canadian Museum of Immigration at Pier 21

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MESSAGE FROM THE CHAIRPERSON

On behalf of the Board of Trustees, I am pleased to present the 2023-24 Annual Report for the Canadian Museum of Immigration at Pier 21.

In studying this country's immigration history, we look at the significant contributions made by newcomers to Canada's culture, economy, and way of life. We also study the times when Canada stood up and the times when it fell down. Our job is to share the story of Canadian immigration – its history, the role it has played and its many effects – in a way that is engaging for all who come through the doors. We want everyone to see themselves and their experiences reflected in the Museum.

The Museum's mission is significant and reflects the role immigration plays in the country. It's so important that we share the stories of individuals and families who have immigrated to Canada so they don't get lost or forgotten. Hearing their stories and understanding their motivations, circumstances and challenges gives voice to the immigrant experience and builds empathy and social cohesion.

At its home in Halifax, the Museum offers exhibitions and programming to a large audience. In addition, the scale and reach of the Museum's national impact, delivered through digital programs, podcasts, and interactive web experiences, travelling exhibitions and the sharing of research, is a point of tremendous pride.

I want to extend a huge thank you to the Museum's staff, its volunteers and senior leadership team for their dedication and hard work this year, and to our exceptional past chair, Robert Vineberg, who concluded his term in March 2024 after serving as chair for over six years. And with deep appreciation and gratitude, a very special thanks to our wonderful donors, supporters and partners who continually remind us of what it is to be Canadian.

The Museum continues to be a stable organization, striving to be best in class while being financially responsible, sustainable and fully accountable to Canadians.



Cynthia Price Verreault
Chairperson of the Board of Trustees

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

The time we are living through – a time of uncertainty, transition and increased migration – underscores the importance of the Museum.

I believe that knowledge of, and honest reflection about, the past can help us be better, more responsible citizens and that the Museum has a role to play in that process.

Our visiting exhibitions this year ranged from the personal and familial (JJ Lee's exhibition *In My Yesterday*, which combines artifacts and artworks to tell her multigenerational Chinese-Canadian family's story), to stories of mass movements (*Hearts of Freedom*, which includes stories from some of the 60,000 Vietnamese, Cambodian and Laotian refugees who came to Canada in the wake of the war in Vietnam). We told diverse stories in diverse ways, including through our podcast, which boasts listeners from around the world.

As a national museum devoted to immigration history, we have a role to play in the work of reconciliation with Indigenous Peoples. It is incumbent on us to collaborate with Indigenous scholars and knowledge keepers to make sure that stories of this land's original peoples and nations, including the impact of colonization and settlement, are told here from an Indigenous perspective. Similarly, we seek to amplify stories of Indigenous resilience and achievement. Our efforts in these regards include hosting the artistic intervention *#HopeAndHealingCanada* by Métis artist Tracey-Mae Chambers, an installation in red yarn that festoons a map of Canada in our *Canadian Immigration Story* exhibition, as well as collaborations with teams of Indigenous scholars and consultants on the new *Immigration and Impact* digital timeline project and on our upcoming temporary and travelling exhibition about food and immigration.

As we tell stories of the past and reckon with both Canada's great achievements and uncomfortable truths, we play an important role in how Canadians see and imagine this country, now and in the future.



Marie Chapman
Chief Executive Officer

ABOUT THE CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

The Canadian Museum of Immigration at Pier 21 is a federal Crown corporation. Its purpose is to explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada's culture, economy and way of life.

The Journey From Immigration Shed to National Museum

Pier 21 is a National Historic Site which, between 1928 and 1971, welcomed almost one million immigrants seeking opportunity, security and a new life in Canada. They included refugees, evacuees, war brides and displaced people. They would go on to contribute immeasurably to Canada's way of life and growth as a nation.

Pier 21 played another key role during the Second World War, providing a lifeline of supplies and personnel.

In 1971, Pier 21 ceased operating as one of Canada's major immigration terminals due to the decline in the number of immigrants arriving by sea. However, its legacy would live on.

The Pier 21 Society, a non-profit charitable organization, re-opened the building on July 1, 1999, as an interpretive centre to honour the people who passed through its doors and highlight the importance of immigration throughout Canada's history.

In February 2011, the building began operating as the Canadian Museum of Immigration at Pier 21 – Atlantic Canada's only national museum. In June 2015, an expanded Museum was launched, paying tribute to not only Pier 21's history but also the broader story of immigration to our country.

MANDATE, ROLE AND GOVERNING LEGISLATION

On November 25, 2010, the legislation creating the Canadian Museum of Immigration at Pier 21 came into effect. Under the *Museums Act*, the Canadian Museum of Immigration at Pier 21 is a distinct legal entity, wholly-owned by the Crown. It operates at arm's length from the Government in its day-to-day operations and in its activities and programming.

The amendments to the *Museums Act* established the Museum's mandate:

To explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada's culture, economy and way of life.

As a Crown corporation and a member of the Canadian Heritage Portfolio, the Museum also contributes to the achievement of the federal government's broad policy objectives. The Museum's primary public policy role is articulated in the preamble of the *Museums Act*, which states that, "Each [National museum]:

- a) plays an essential role, individually and together with other museums and like institutions, in preserving and promoting the heritage of Canada and all its peoples throughout Canada and abroad, and in contributing to the collective memory and sense of identity of all Canadians; and
- b) is a source of inspiration, research, learning and entertainment that belongs to all Canadians and provides, in both Official Languages, a service that is essential to Canadian culture and available to all."

The Museum is governed by the Crown corporation control and accountability regime established under Part X of the *Financial Administration Act*. The Museum is also required to comply with a range of provisions in other statutes, including: the *Access to Information Act*; the *Privacy Act*; the *Official Languages Act*; and the *Canada Labour Code*, among others.

THE BOARD OF TRUSTEES

The Museum’s Board of Trustees serves as its governing body and is accountable to Parliament for the stewardship of the Museum through the Minister of Canadian Heritage. The Board of Trustees is responsible for providing broad strategic direction, oversight and assessing the Chief Executive Officer’s performance.

The *Museums Act* provides for an eleven-member Board of Trustees appointed by the Minister with the approval of the Governor-in-Council. Board members continue to serve until a new appointment is made. The Board is supported by the following committees:

An **Executive and Finance Committee**, to make decisions between Board meetings, and provide oversight to financial planning and performance and capital projects.

An **Audit and Risk Oversight Committee**, to carry out the duties prescribed under section 148 of the *Financial Administration Act*, among others.

A **Human Resources, Governance and Nominating Committee**, to provide strategic direction and oversight of the management of the Museum’s human resources and governance.

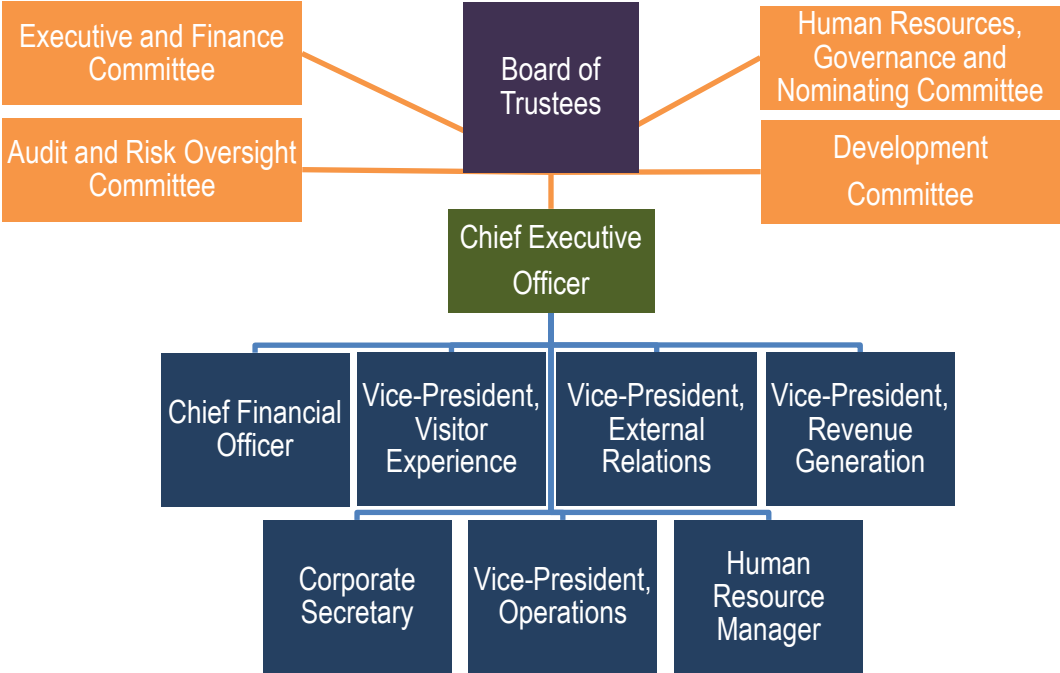
A **Development Committee**, to provide strategic direction and oversight of the Museum’s fundraising and development efforts.

Trustees

Board of Trustees	Residence	Appointment	Term Expiry
Cynthia Price Verreault, Chairperson	Montréal, Quebec	2024-03-03	2028-03-02
Vivek Sood, Vice-Chairperson	Halifax, Nova Scotia	2024-03-04	2028-03-03
Sarah Crawford	Toronto, Ontario	2023-05-31	2027-05-30
Salima Ebrahim	Edmonton, Alberta	2018-06-01	2025-09-28
Omar Farouk	Brampton, Ontario	2019-07-01	2025-09-14
David Goldbloom	Toronto, Ontario	2024-02-02	2028-02-01
Sara Hradecky	Victoria, British Columbia	2023-10-06	2027-10-05
Mona Kumar	Mississauga, Ontario	2018-06-01	2025-09-28
Louise Sicuro	Saint-Jean-de-Matha, Quebec	2023-06-22	2027-06-21
Catherine Woodman	Halifax, Nova Scotia	2023-05-04	2027-05-03
Vacancies (1)			

MANAGEMENT AND STAFF

While the Board is accountable for results and the business activities of the Museum, the Chief Executive Officer, supported by a Senior Leadership Team, is accountable for the day-to-day administration of the Museum’s performance and the achievement of objectives.



The Senior Leadership Team

- Marie Chapman, Director/Chief Executive Officer
- Kendall J. Blunden, CPA, CA, Chief Financial Officer
- Ashley MacPherson, Vice-President, Operations
- John Murray, Human Resource Manager
- Emma Roach, Corporate Secretary and Chief of Staff
- Carrie-Ann Smith, Vice-President, Visitor Experience
- Jennifer Sutherland, Vice-President, External Relations
- Fiona Valverde, Vice-President, Revenue Generation

The Museum had 56 full-time equivalent staff with two vacancies at the end of March 2024. In addition to the highly committed and dedicated staff, the Museum benefits from an extensive network of loyal volunteers.

CORE RESPONSIBILITIES

Consistent with the Government of Canada’s Policy on Results (July 1, 2016), the Museum has adopted three core responsibilities. These core responsibilities, as well as internal services, support the overall strategic outcome for the Museum as derived from its legislated mandate.

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



RESULTS

Results for the 2023-24 fiscal year are as follows:

Core Responsibility 1: Visitor Experience and Connections

RESEARCH AND CONTENT DEVELOPMENT

Objective: Museum content explores the theme of Canadian immigration, regardless of point of entry, and the contribution of all immigrants to Canada's culture, economy and way of life.

Key Commitments to March 31, 2024

- 100 new collection records are made accessible online.
- Catalogue 100 new acquisitions.

Complete at March 31, 2024

- 100 digital items and stories, including 15 oral histories were added online. The total number of items from the collection available online was 11,037.
- 103 items were catalogued.

INTERPRETATION AND CONNECTIONS

Objective: Exhibitions and programming are innovative, compelling, thought-provoking and reflect the diversity of the immigrant experience within Canada.

Key Commitments to March 31, 2024

- The Museum's second travelling and temporary exhibition, *Refuge Canada*, is booked at sites across Canada through 2024-25.
- Continue planning and design for the Museum's third travelling exhibition, scheduled to launch on site in 2025-26 and as a travelling exhibition in 2026-27.
- Public programming continues to engage local and national audiences by partnering with individuals, community groups and institutions. Target: 30 public programs (including in-person, online, and hybrid events) with 10,000 participants.
- Exhibition Content Management System (CMS) procurement.

Complete at March 31, 2024

- *Refuge Canada* tour fully booked to April 2025 with three stops. Two smaller format versions of the exhibition (the *Refuge Canada Tents*) make a further eight stops within the 2024-25 fiscal year.
- Development of the third travelling exhibition is on schedule and on budget.
- The Museum held 49 public programs with 12,910 participants.
- CMS procurement process complete.

VISITOR EXPERIENCE

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

Key Commitments to March 31, 2024

- Visitation target of 67,000 paid visitors based on pre-pandemic visitation. Other targets include 4,000 paid students onsite, 70 virtual field trips reaching 1,400 students, 28,000 visitors to the Scotiabank Family History Centre and 575,000 online visitors.
- Visitors are satisfied or very satisfied with their overall experience.

Complete at March 31, 2024

- Onsite visitation fell short of targets with 53,917 paid visitors to the Museum. There were 4,811 paid students onsite, 45 virtual field trips reaching 1,338 participants and 24,428 visitors to the Scotiabank Family History Centre. Online visitation targets were exceeded with 764,369 unique online visitors.
- 98% of visitors surveyed were satisfied or very satisfied with their overall experience.

ACCESS AND AWARENESS

Objective: Canadians in all regions of the country have greater access to the Museum's Collection, expertise and programs and the Museum garners a high level of awareness and public support through strong and effective marketing and communications strategies.

Key Commitments to March 31, 2024

- Continue to amplify online reach particularly across Canada through educational, relevant and engaging social media content. Social media followers increase by 5% across all platforms. Social media engagements total over 250,000.
- Reach 20 travel writers/ bloggers and achieve 1,900 media mentions.
- Launch Season 4 of the Museum's podcasts, with a target of 33,000 downloads.

Complete at March 31, 2024

- Increase in followers on Facebook (+7.6%) and Instagram (+20.5%) exceeded targets; Twitter followers increased only by 0.44%. There were 276,171 total engagements across social media platforms.
- During the year, there were 2,182 media mentions generated and 50+ bloggers and travel writers were reached.
- Season 4 of the Museum's podcasts was launched. There were 44,216 downloads.

OUTREACH AND COLLABORATION

Objective: The Museum is viewed as a positive collaborator with key stakeholders, facilitates engaging conversations on immigration themes and aims to inspire positive action.

Key Commitments to March 31, 2024

- Continue to grow and strengthen a network of strategic partners and be seen as a positive collaborator. Engage in eight significant partnerships.
- Seek collaboration with Indigenous partners to ensure inclusion and representation of first voices.

Complete at March 31, 2024

- Partnerships were developed with FENIX (Netherlands), My East Coast Experience, North American Indigenous Games, Symphony Nova Scotia, the Canadian Tamil Association, Holland America Line, Fleet Week '23, CANOO, and Concordia University, among others.
- Exhibitions, programming and communications departments worked with Indigenous consultants and partners to ensure inclusion and representation.

Core Responsibility 2: Accommodation

ACCOMMODATION

Objective: The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for all and are maintained in a cost-effective manner with a focus on greening.

Key Commitments to March 31, 2024

- Capital projects optimize the use of the space, improve accessibility, are managed prudently and respect the historic nature of the site, and decisions are made with climate change at top of mind.
- Continue to upgrade the facility with Rick Hansen Foundation recommendations for improvement.
- Accessible Canada and Greening of Government standards are used as the minimum for capital projects.

Complete at March 31, 2024

- Completed a joint energy audit with the Halifax Port Authority to help establish baselines and goals for future greening opportunities and to support the Government of Canada's net-zero carbon goals by 2050.
- The Museum's first annual Accessibility Progress Report was published and included completed actions related to the built environment (lighting updates, review of braille and raised lettering bathroom signage, and accessibility user-experience testing).

Core Responsibility 3: Fundraising and Commercial Activity

SOUND MANAGEMENT OF RESOURCES

Objective: The organization and its resources are aligned in a way that enables the Museum to achieve its mandate.

Key Commitments to March 31, 2024

- Budget targets are met.
- Meet the target of \$2,876,456 in self-generated revenue, including \$1,045,500 in fund development.

Complete at March 31, 2024

- Achieved \$ 2,987,900 in self-generated revenues, including \$ 1,021,100 in fund development.

INTERNAL SERVICES

Objective: The Corporation will be a model for progressive, innovative and sound management practices. It will continue to have empowered, entrepreneurial and diverse employees and volunteers who are respectful of the Museum's mission and mandate.

Key Commitments to March 31, 2024

- Corporate Plan commitments are incorporated in all employee performance agreements.
- 90% of permanent employees participate in learning and development opportunities.
- 50 volunteers play an important role in the Museum's culture, diversity and the organization's success.
- The *Welcome Home to Canada* program, which employs recently arrived immigrants, has 8-12 participants.
- Justice, Equity, Diversity and Inclusion (JEDI) considerations inform decisions on recruitment and advancement, exhibitions and programming.

Complete at March 31, 2024

- Performance agreements all contain reference to corporate plan commitments.
- 100% of staff completed professional development and education opportunities, including language training.
- 84 active volunteers provided more than 2,538 hours of service to the Museum in 2023-24.
- 9 participants engaged in the *Welcome Home to Canada* program, working in roles across departments in the Museum.
- JEDI training planned for hiring managers. Accessibility review and accessibility plan completed.

MANAGEMENT DISCUSSION AND ANALYSIS

The Museum's operations are divided into three core responsibilities, as well as internal services, to support the overall strategic outcome derived from its mandate. These responsibilities are:

- Visitor experience and connections: Canadians have access to – and are engaged in building – museum content and programming that reflects the diverse experiences and contributions of immigrants throughout Canada's history.
- Accommodation: The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for visitors, staff and volunteers; and are maintained in a cost-effective manner.
- Fundraising and commercial activities: The Museum's fundraising and commercial activities provide essential financial support.
- Internal services: Sound governance practices are in place and resources are effectively managed to support the achievement of the Museum's mandate.

Performance and Outlook

Although 2023-24 saw lower-than-expected visitation, it also saw higher-than-anticipated facility rental activity and revenue. Fundraising revenues, including donations and special events, also exceeded expectations. These two areas more than made up for the loss of revenues from lower visitation. An audience research study was commissioned to help understand audience segments and to inform marketing and communications efforts as the Museum rebuilds visitation.

The temporary exhibitions displayed throughout the year at the Museum represented diverse cultural groups, themes and experiences. Topics presented included property seizures of Japanese Canadians during the Second World War; the Indochinese refugees welcomed in the 70s and 80s; the internment of Germans and Ukrainians during the First World War; stories of immigration from the former Kingdom of Yugoslavia in the 1920s; and an artistic intervention by an Indigenous artist in the Canadian Immigration Story exhibition.

The Museum's travelling exhibition, *Refuge Canada*, along with its podcasts, virtual field trips and other digital programming, continued to extend the Museum's reach on a national scale. *Refuge Canada*, with three versions travelling the country simultaneously, toured 16 cities and towns in eight provinces.

The California Wine Dinner, a fundraising event for the Museum for 23 years, had its final iteration in May 2023. The *Fascinating Canadian* speaker series had special events in both Halifax and Toronto.

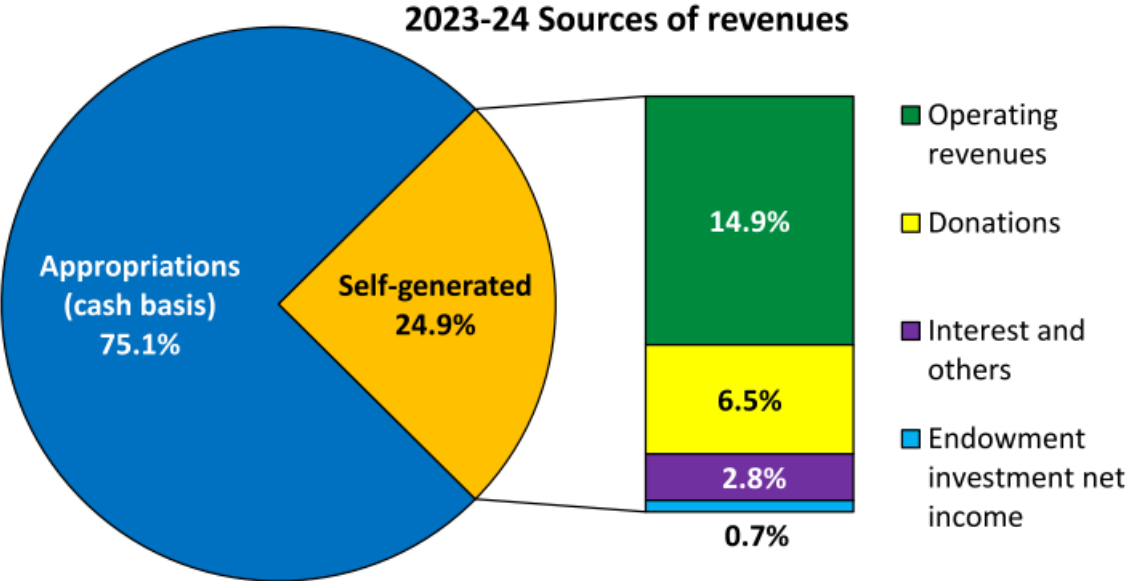
At March 31, 2024, the Museum had 56 full-time equivalent staff positions with two vacancies. Museum staff are members of the Service Employees International Union Local 2, Brewery, General and Professional Workers' Union with the exception of 17 positions designated as managerial exclusions.

Financial Results

OPERATIONS

The net operating results for the year were \$1,655,000. When combined with \$6,572,000 in unrestricted net assets from 2022-23, minus the current year's \$91,000 recapitalization to the endowment fund, this results in unrestricted net assets at March 31, 2024, of \$8,136,000.

The funds available for the operations of the Museum are parliamentary appropriations and self-generated revenues, which include operating revenue, donations, interest and other, and endowment investment net income.



On an accrual basis, appropriations increased \$1,075,000 for the year ended March 31, 2024, from \$10,110,000 to \$11,185,000. The Museum received appropriations through the main and supplementary estimates of \$9,999,000 (net of \$62,000 used for capital assets purchases) which included \$975,000 in additional funding for operating and capital expenditures through Budget 2023 and \$974,000 in compensation adjustments funding. The remaining \$1,186,000 reflected in appropriations for the year ended March 31, 2024, is the amortization of deferred contributions related to capital assets.

Operating revenues, donations, and interest and other revenues were \$3,217,000 for the year ended March 31, 2024, compared to \$2,511,000 in 2022-23. Operating revenue includes exhibition hall ticket sales, hall rentals, programming, special events, gift shop and Scotiabank Family History Centre sales. The net increase in operating revenues is primarily due to higher hall rentals offset by lower ticket and gift shop sales. The Museum welcomed 53,917 paid visitors in 2023-24 compared to 64,400 in 2022-23. Donations were higher following an ambitious effort to raise new major gift commitments. Interest and other revenues were higher mainly due to higher interest rates.

For the year ended March 31, 2024, a net income on the endowment investments of \$91,000 is included in the Statement of Operations, compared to a net loss of \$185,000 in 2022-23. At March 31, 2024, the endowment investments had accumulated unrealized gains of \$1,252,000 compared to accumulated unrealized gains of \$183,000 at March 31, 2023. Unrealized gains and losses on investments are not recorded as revenue but as accumulated remeasurement gains or losses in the Statement of Financial Position. A net increase in the accumulated remeasurement gains of \$1,069,000 was recorded for 2023-24, which results in an overall net positive performance for the endowment investments of \$1,160,000 compared to a net negative performance of \$322,000 for 2022-23.

Expenses for the year ended March 31, 2024, were slightly higher, from \$12,363,000 in 2022-23 to \$12,907,000 in 2023-24. The \$544,000 increase is mainly due to the increase in personnel costs and expenses for exhibition and programming and operating supplies and services. The increase in personnel costs of \$339,000 is mainly due to economic wage increases. Expenses for exhibition and programming increased with more public programming events, the display of eight smaller temporary exhibits throughout the year, the development of the Museum's new temporary/travelling exhibition (scheduled to open in Summer 2025) and the beginning of the project to update the core exhibitions content management system to address technology obsolescence, improve the digital experience, and meet digital accessibility standards. Expenses for operating supplies and services increased with the assessment of the core exhibitions' accessibility, the target audience research and the implementation of a new management system for hall rentals.

FINANCIAL POSITION

Assets increased by \$1,498,000 to \$24,733,000 at March 31, 2024, due primarily to the increase in cash of \$1,432,000 and in endowment cash and investments of \$1,177,000, offset by the decrease in capital assets of \$1,193,000. The increase in cash is mainly due to the net results of operations. The increase in endowment cash and investments is mainly due to the positive performance of the endowment fund for the year. The decrease in capital assets is primarily due to amortization.

Total liabilities decreased by \$1,232,000 to \$5,906,000 at March 31, 2024, primarily due to a \$1,193,000 net decrease in deferred contributions related to capital assets attributable mainly to the amortization. Net assets include the unrestricted net assets and the net assets related to the endowment fund. The unrestricted net assets were \$8,136,000 at March 31, 2024. The net assets related to the endowment fund of \$10,691,000 at March 31, 2024, include the cumulative endowment contributions of \$9,087,000, the accumulated remeasurement net gains of \$1,252,000 and the internally restricted net assets of \$352,000

Business Risks

FINANCIAL RISKS

The Museum is exposed to a variety of financial risks related to its activities and to its endowment cash and investments. These risks include credit risk, liquidity risk and market risk (foreign currency, interest rate and other price risks). A detailed analysis of the financial risks is provided in the notes to the financial statements.

Most financial risks are related to the endowment fund. In accordance with the Museum's Investment Policy approved by the Museum's Board of Trustees, the capital of the endowment fund is protected in perpetuity and the Museum can only draw upon the endowment earnings to fund educational and public programming, national outreach, travelling exhibitions, exhibition development and other similar priorities of the Museum. The overall investment objective is to provide sufficient liquidity to meet the annual anticipated spending requirements allowable from endowment earnings while providing adequate growth to maintain the purchasing power of the endowment's capital. Liquidity is not an issue since the capital is held in perpetuity. A reserve has been established to cover the annual requirements in times when the endowment does not generate the annual income required.

The Board and Management are committed to prudent management of the endowment fund's resources. The Museum is assisted in the oversight and management of its portfolio by the services of an investment consultant who invests in a diversified portfolio. Management works with the investment consultant to determine the best asset mix to meet the overall acceptable risk of the portfolio and reports to the Board periodically. The current investment policy, approved by the Board in November 2022, sets target allocations allowing asset class allocations to vary within a specified range. The Board and Management have determined that all current financial risks for the endowment fund are at an acceptable level.

OTHER BUSINESS RISKS

With the Museum located at the mouth of the Halifax Harbour on the waterfront, risks related to the effects of climate change are getting more significant. As weather events become more frequent, and with greater impact, the risks to Museum facilities and its collection increase. Actions are being undertaken to mitigate the risks, including a robust Business Continuity Plan, but some of the risks must be accepted given the Museum's inability to change location.

The Museum does not own the Pier 21 premises but leases from the Halifax Port Authority, a related party. In 2015-16, the Museum saw a significant increase in annual rent with the additional space and will continue to have periodic increases as per the 40-year lease agreement negotiated on behalf of the Museum, with the latest increase in 2020-21. This represents a significant pressure for the Museum that is not covered by operating appropriations.

Financial stability and capacity to generate revenues

The Museum is committed to financial sustainability and continues to work on plans to maximize revenue generation and minimize costs. However, the Museum's sustainability is being eroded over time as the purchasing power of the parliamentary appropriation diminishes. As salaries and rent continue to increase, the non-indexed appropriation covers less and less of those costs.

Since 2015-16, personnel costs and the non-discretionary costs for the facilities have exceeded the Museum's Parliamentary appropriation. This means that all funds for programming, operating expenses (other than personnel and building operations), and some capital requirements must be covered by self-generated revenue. These self-generated revenues, combined with the Museum's unrestricted net assets and earnings from the Endowment fund, have historically been sufficient to fund the Museum's requirements. This is no longer the case, with more and more self-generated revenue flowing toward personnel and non-discretionary facility costs, which presents risks to program integrity. The Museum, jointly with the other national museums and Government, is evaluating the funding required to address this structural shortfall and to cover new costs.

Financial Statements

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2024

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Management has prepared the financial statements contained in this annual report in accordance with Canadian public sector accounting standards for government not-for-profit organizations, and the integrity and objectivity of the data in these financial statements are Management's responsibility. The financial statements include some amounts that are necessarily based on Management's estimates and judgment. Financial information presented throughout the annual report is consistent with the financial statements.

In discharging its responsibility for the integrity and fairness of the financial statements, Management has developed and maintains books of account, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of the financial information; that assets are safeguarded and controlled; and that transactions are in accordance with Part X of the *Financial Administration Act* (FAA) and regulations, the *Museums Act*, the Museum's by-law and the directive issued pursuant to section 89 of the FAA.

The Board of Trustees is responsible for ensuring that Management fulfills its responsibilities for financial reporting and internal control. The Board has established an Audit and Risk Oversight Committee in compliance with section 148 of the FAA. Management does not sit on the Audit and Risk Oversight Committee; however the Committee meets with Management, the Museum's internal auditor and the independent external auditor to review the manner in which the responsibilities for financial statements are being performed and to discuss auditing, internal controls and other relevant financial matters. The Audit and Risk Oversight Committee has reviewed the financial statements with the external auditor. On the recommendation of the Audit and Risk Oversight Committee, the Board has approved the financial statements contained in this report.

The Museum's external auditor, the Auditor General of Canada, audits the financial statements and reports on her audit to the Minister of Canadian Heritage, who is accountable to Parliament for the Canadian Museum of Immigration at Pier 21.



Marie Chapman
Chief Executive Officer



Kendall J. Blunden, CPA, CA
Chief Financial Officer

June 19, 2024



INDEPENDENT AUDITOR'S REPORT

To the Minister of Canadian Heritage

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Canadian Museum of Immigration at Pier 21 (the Museum), which comprise the statement of financial position as at 31 March 2024, and the statement of operations, statement of remeasurement gains and losses, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Museum as at 31 March 2024, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Museum in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Museum's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Museum or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Museum's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Museum's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Museum to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of the Canadian Museum of Immigration at Pier 21 coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are Part X of the *Financial Administration Act* and regulations, the *Museums Act* and regulations, the by-law of the Canadian Museum of Immigration at Pier 21, and the directive issued pursuant to section 89 of the *Financial Administration Act*.

In our opinion, the transactions of the Canadian Museum of Immigration at Pier 21 that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act*, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for the Canadian Museum of Immigration at Pier 21's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Canadian Museum of Immigration at Pier 21 to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Heather McManaman, CPA, CA
Principal
for the Auditor General of Canada

Halifax, Canada
19 June 2024

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Financial Position

<i>(in thousands of dollars)</i>	March 31 2024	March 31 2023
Assets		
Current assets		
Cash	8,103	6,671
Accounts receivable (note 4)	201	213
Inventory	119	119
Prepaid expenses	253	159
Total current assets	8,676	7,162
Endowment cash and investments (note 10 a)	10,955	9,778
Capital assets (note 5)	5,101	6,294
Collections (note 6)	1	1
Total assets	24,733	23,235
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	541	623
Deferred revenue (note 8)	264	221
Deferred contributions related to capital assets (note 9)	5,101	6,294
Net assets		
Unrestricted	8,136	6,572
Internally restricted (note 11)	352	352
Accumulated remeasurement gains	1,252	183
Endowment (note 10 b)	9,087	8,990
Total net assets	18,827	16,097
Total liabilities and net assets	24,733	23,235

Contractual obligations (note 13)

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

On behalf of the Board of Trustees:



Cynthia Price Verreault
Chair of the Board of Trustees



Vivek Sood
Vice-Chair of the Board of Trustees

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Operations

For the year ended March 31, 2024

<i>(in thousands of dollars)</i>	2024	2023
Revenues		
Operating (schedule 1)	1,979	1,948
Amortization of deferred contributions related to capital assets received from a related party (note 9)	69	78
Donations	868	360
Interest and other	370	203
Total revenues	3,286	2,589
Expenses (schedule 2)		
Visitor experience and connections	4,942	4,569
Accommodation	4,134	4,102
Fundraising and commercial activities	1,420	1,337
Internal services	2,411	2,355
Total expenses	12,907	12,363
Net result of operations before appropriations and endowment investment net income (loss)	(9,621)	(9,774)
Appropriations (note 12)	11,185	10,110
Endowment investment net income (loss) (note 10)	91	(185)
Net result of operations	1,655	151

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Remeasurement Gains and Losses

For the year ended March 31, 2024

<i>(in thousands of dollars)</i>	2024	2023
Accumulated remeasurement gains, beginning of year	183	320
Realized losses on endowment investments reclassified to operations	93	339
Unrealized gains (losses) on endowment investments	976	(476)
Accumulated remeasurement gains, end of year	1,252	183

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Changes in Net Assets

For the year ended March 31, 2024

<i>(in thousands of dollars)</i>	Unrestricted	Internally restricted	Accumulated remeasurement gains	Endowment	2024	2023
Net assets, beginning of year	6,572	352	183	8,990	16,097	15,876
Net result of operations	1,655	–	–	–	1,655	151
Transfer to (from) (note 11)	(91)	–	–	91	–	–
Net remeasurement gains (losses)	–	–	1,069	–	1,069	(137)
Contributions received for endowment (note 10 b)	–	–	–	6	6	207
Net assets, end of year	8,136	352	1,252	9,087	18,827	16,097

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Cash Flows

For the year ended March 31, 2024

<i>(in thousands of dollars)</i>	2024	2023
Operating activities		
Appropriations received	9,999	8,918
Cash received from clients and donors	3,003	2,352
Cash paid to suppliers	(5,303)	(5,005)
Payments related to salary and benefits	(6,535)	(6,527)
Interest received	360	201
Total operating activities	1,524	(61)
Capital activities		
Acquisition of capital assets	(52)	(170)
Total capital activities	(52)	(170)
Investing activities		
Acquisition of endowment investments	(1,321)	(3,380)
Disposal of endowment investments	1,213	3,366
Total investing activities	(108)	(14)
Financing activities		
Appropriations for the acquisition of capital assets	62	39
Contributions to endowment	6	207
Total financing activities	68	246
Increase in cash	1,432	1
Cash, beginning of year	6,671	6,670
Cash, end of year	8,103	6,671

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

1. Authority, objectives and operations

The Canadian Museum of Immigration at Pier 21 (the “Museum”) was established on November 25, 2010 under the *Museums Act*. The transfer and assignment of assets, contracts and records from the Pier 21 Society and Pier 21 Foundation occurred on February 3, 2011. The Museum is an agent Crown corporation named in Part I of Schedule III of the *Financial Administration Act* and is not subject to the provisions of the *Income Tax Act*.

The Museum's mandate is to explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and the contributions of immigrants to Canada's culture, economy and way of life.

The Museum's operations are divided into three core responsibilities, as well as internal services, to support the overall strategic outcome derived from its mandate. These responsibilities are:

- a) Visitor experience and connections: Canadians have access to – and are engaged in building – museum content and programming that reflects the diverse experiences and contributions of immigrants throughout Canada's history.
- b) Accommodation: The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for visitors, staff and volunteers; and are maintained in a cost-effective manner.
- c) Fundraising and commercial activities: The Museum's fundraising and commercial activities provide essential financial support.
- d) Internal services: Sound governance practices are in place and resources are effectively managed to support the achievement of the Museum's mandate.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024
(in thousands of dollars)

1. Authority, objectives and operations (continued)

Travel, hospitality, conference and event expenditures

In July 2015, the Museum, along with other federal Crown corporations, was issued a directive (P.C. 2015-1105) pursuant to section 89 of the *Financial Administration Act* to a) align its travel, hospitality, conference and event expenditure policies, guidelines and practices with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations, and b) to report on the implementation of this directive in the Museum's next corporate plan.

In June 2016, the Museum aligned its policies and practices to the Treasury Board instruments and since then has met the requirements of the directive.

2. Summary of significant accounting policies

a) Basis of presentation

The financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

The Museum applies the deferral method of accounting for contributions for not-for-profit organizations.

b) Revenue recognition

i) Appropriations

The Government of Canada provides funding to the Museum through parliamentary appropriations.

Appropriations which are explicitly or implicitly restricted for the purchase of amortizable capital assets are considered contributions related to capital assets and are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations on the same basis and over the same periods as the related capital assets acquired.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

b) Revenue recognition (continued)

i) Appropriations (continued)

Appropriations restricted for specific expenses are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period that those expenses are incurred.

Appropriations that are not restricted to a specific purpose are recognized as revenue in the Statement of Operations in the period for which the appropriation is authorized.

ii) Donations

Donations are comprised of contributions received from non-government entities that are not part of the federal government reporting entity, such as individuals, foundations and corporations.

Unrestricted contributions are recognized as revenue on the Statement of Operations when received.

Revenues and offsetting expenses from goods and services donated in-kind are recorded at fair market value upon receipt.

Contributions externally restricted for specific purposes are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period in which the related expenditures are recognized.

Endowment contributions are subject to externally imposed restrictions stipulating that the endowment principal be permanently maintained. Endowment contributions are recognized as direct increases in net assets in the period in which they are received consistent with the deferral method of accounting for contributions.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

b) Revenue recognition (continued)

ii) Donations (continued)

Investment income earned on the general endowment investments is unrestricted, and is recognized as revenue by the Museum in the period earned. Investment income earned may be subsequently internally restricted by the Museum, as approved by the Board of Trustees, to be spent at a later date or to be reinvested for the preservation of capital. Investment income earned on the education endowment is restricted, and may be deferred and recognized as revenue when services are provided.

iii) Operating revenues

Revenues from the Museum's operations include ticket sales for general admission, hall rentals including a percentage of catering sales, gift shop sales, Family History Centre sales, special events and programming including travelling exhibits. They consist of one performance obligation that is satisfied at a point in time. These revenues are recognized when or as the goods or services are delivered to the customer.

Funds received by the Museum from museum operations that are not yet earned through the provision of goods or services, are deferred and recognized as revenue when goods are delivered or services are provided.

iv) Contributions related to capital assets

Contributions related to capital assets represent restricted contributions for the acquisition of capital assets. Deferred contributions related to capital assets are amortized to income and over the same periods as the related capital assets acquired.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

b) Revenue recognition (continued)

v) Volunteer services

Volunteers contribute their time to assist the Museum in carrying out its activities. Because of the difficulty in determining fair value, contributed services are not recorded in the financial statements.

vi) Contributed materials

Contributed materials received whereby the fair values are not readily obtainable are not recorded in the financial statements.

c) Collections

The Museum maintains the collections of stories, artifacts, oral histories and images related to its mandate to explore the theme of immigration to Canada. These collections are developed by various research areas within the Museum.

The Museum's collections are shown at a nominal value of \$1 on the Statement of Financial Position because of the practical difficulties in reflecting them at a meaningful value.

Objects purchased for the collections of the Museum are recorded as an expense in the period of acquisition. Objects donated to the Museum for its collections are not recorded.

d) Inventory

Inventory, which consists of resale goods for the gift shop, is valued at the lower of cost and net realizable value. Cost is determined using the average cost method.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

e) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital projects - work in progress are stated at cost and are not amortized. Amortization commences when the assets are ready for their intended use and are transferred to leasehold improvements and core exhibitions.

The cost less the estimated salvage value of capital assets is amortized using the straight-line method and the following rates:

Capital asset categories	Amortization period
Leasehold improvements	5 to 15 years
Core exhibitions	10 years
Immigration and ships database	5 years
Equipment	5 years

f) Employee future benefits

All eligible employees of the Museum are covered by the Public Service Pension Plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Museum to cover current service cost. Pursuant to legislation currently in place, the Museum has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the Museum.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

g) Use of estimates

The presentation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those reported. The estimated useful lives of capital assets and the fair market value of the endowment investments are the most significant items where estimates are used. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period which they become known.

h) Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions.

Monetary assets and liabilities, and non-monetary items included in the fair value measurement category denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the Statement of Remeasurement Gains and Losses. In the period of settlement, realized foreign exchange gains and losses are recognized in the Statement of Operations, and the cumulative amount of remeasurement gains and losses is reversed in the Statement of Remeasurement Gains and Losses.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

i) Financial instruments

The Museum has classified all financial assets and liabilities in the fair value category or the cost category. The Museum performs an annual impairment test on financial instruments to determine if any objective evidence of impairment is present. Impairment losses are recognized in the net result of operations in the period in which they arise.

i) Cash

Cash is composed of deposits with financial institutions that can be withdrawn without prior notice or penalty.

ii) Investments

The Museum's endowment investments may be comprised of a diversified portfolio of cash and short-term investments, fixed income instruments, global equity and alternative assets through pooled funds and mutual funds. These investments are measured at fair value with unrealized gains or losses from changes in valuation recognized in the Statement of Remeasurement Gains and Losses. Realized gains or losses on the investments are recognized in the Statement of Operations in the period in which they arise. The fair value measurements of these investments are described in Note 16 a).

iii) Other financial instruments

The Museum's other financial instruments consist of accounts receivable, and accounts payable and accrued liabilities, and are classified in the cost category. These financial instruments are carried at cost.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

2. Summary of significant accounting policies (continued)

j) Related party transactions

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

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

- i) Inter-entity transactions are recorded at the exchange amount when undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where costs provided are recovered.
- ii) Goods or services received without charge between commonly controlled entities are not recorded.

3. Adoption of new accounting standard

Effective April 1, 2023, the Museum adopted the new public sector accounting standard, PS 3400, Revenue. This new standard addresses the accounting and reporting of revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations (exchange transactions) and transactions that do not have performance obligations (non-exchange transactions). There are two approaches to recognizing revenue with performance obligations: at a point in time or over a period of time. This determination is made based on when the performance obligation is satisfied.

PS 3400 has been applied prospectively to these financial statements and, as permitted by the transitional provisions, prior periods were not restated. The implementation of this new standard did not have a material impact on the financial statements

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

4. Accounts receivable

	2024	2023
Accounts receivable – government departments and agencies	106	151
Accounts receivable – other	95	62
Total accounts receivable	201	213

Amounts receivable from government departments and agencies are a result of the normal course of business, are receivable net 30 days and are non-interest bearing.

5. Capital assets

Category	Cost	Accumulated amortization	2024 Net book value
Leasehold improvements	22,418	18,500	3,918
Core exhibitions	6,293	5,175	1,118
Immigration and ships database	46	46	–
Equipment	982	917	65
Total	29,739	24,638	5,101

Category	Cost	Accumulated amortization	2023 Net book value
Leasehold improvements	22,395	17,899	4,496
Core exhibitions	6,271	4,547	1,724
Immigration and ships database	46	46	–
Equipment	965	891	74
Total	29,677	23,383	6,294

During 2024 and 2023, no capital assets were written off.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024
(in thousands of dollars)

6. Collections

The Museum's collections are shown at a nominal value of \$1 on the Statement of Financial Position because of the practical difficulties in reflecting them at a meaningful value.

During the years ended March 31, 2024 and 2023, the Museum incurred no expenses related to the acquisition of objects for its collections and did not receive any revenues related to the sale of collection items.

7. Accounts payable and accrued liabilities

	2024	2023
Accounts payable and accrued liabilities – government departments and agencies	80	16
Accounts payable and accrued liabilities – other	461	607
Total accounts payable and accrued liabilities	541	623

Amounts due to government departments and agencies are a result of the normal course of business and are payable on demand and are non-interest bearing.

8. Deferred revenue

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

	2024	2023
Balance, beginning of year	221	201
Funds received during the year	1,039	838
Funds recognized as revenue during the year	(996)	(818)
Balance, end of year	264	221

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

9. Deferred contributions related to capital assets

The changes in the deferred contributions balance for the years ended March 31 are as follows:

	Appropriations	Other contributions	2024
Balance, beginning of year	5,802	492	6,294
Add: Appropriations to acquire capital assets	62	–	62
Less: Amortization of deferred contributions related to capital assets	(1,186)	(69)	(1,255)
Balance, end of year	4,678	423	5,101

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

The unused portion of deferred contributions related to capital assets was nil at March 31, 2024 (2023 – nil). Other contributions were received from a related party, the Halifax Port Authority, for leasehold improvements as per the lease of the Pier 21 premises.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

10. Endowment

a) Endowment cash and investments

Endowment cash and investments consist of the following:

	2024		2023	
	Cost	Fair value	Cost	Fair value
Cash and short-term investments	84	84	23	23
Investments				
Fixed income	3,476	3,320	3,516	3,350
Global equity	4,586	5,848	4,565	4,879
Alternatives	1,557	1,703	1,491	1,526
Total investments	9,619	10,871	9,572	9,755
Total endowment cash and investments	9,703	10,955	9,595	9,778

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

	2024	2023
Endowment net assets	9,087	8,990
Prior years cumulative endowment investment net income recognized	610	795
Current year endowment investment net income (loss) recognized	91	(185)
Current year preservation of capital	(91)	–
Current year endowment investment net income (loss) deferred	6	(5)
Accumulated remeasurement gains	1,252	183
Endowment cash and investments (at fair value)	10,955	9,778

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024
(in thousands of dollars)

10. Endowment (continued)

b) Endowment net assets

Endowment contributions totaling \$6 (2023 – \$207) were received by the Museum during the fiscal year. In 2024, \$91 was recorded as a direct increase to the endowment for the preservation of capital (2023 – nil). At March 31, the endowment component of net assets consists of the following cumulative contributions:

	2024	2023
Contributions received from Pier 21 Foundation	4,874	4,874
Other contributions received for endowment	2,843	2,837
Capital preservation	1,370	1,279
Endowment net assets, end of year	9,087	8,990

11. Internally restricted net assets and preservation of endowment capital

As approved by the Board of Trustees, the Museum may restrict unspent endowment investment net income as internally restricted net assets as a reserve to be spent at a later date or utilize the net income for the preservation of the endowment capital. In 2024 and 2023, there were no changes to the internally restricted net assets of \$352 (2023 – \$352). In 2024, \$91 was utilized for the preservation of endowment capital (2023 – nil). The preservation amount is reflected in the Statement of Changes in Net Assets as a transfer from unrestricted net assets to endowment net assets.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024
(in thousands of dollars)

12. Appropriations

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

	2024	2023
Parliamentary appropriations provided		
Main estimates	8,112	8,112
Supplementary estimates	1,949	845
Total parliamentary appropriations	10,061	8,957
Appropriations used to purchase amortizable capital assets	(62)	(39)
Appropriations received for operating	9,999	8,918
Amortization of deferred contributions related to capital assets	1,186	1,192
Appropriations recognized as revenue	11,185	10,110

In 2024, the Museum received \$975 in Budget 2023 to address facilities operations and maintenance and \$974 in compensation adjustments funding. In 2023, the Museum received emergency funding of \$845 in Budget 2022 to address financial pressures caused by the COVID-19 pandemic.

13. Contractual obligations

The Museum has contractual obligations with the Halifax Port Authority, a related party, for the lease of the Pier 21 premises until February 2051. The Museum has also entered into service agreements for digital preservation, media services and database maintenance.

At March 31, 2024, the estimated contractual obligations are as follows:

Year	Related party	Other	Total
2025	1,611	451	2,062
2026	1,659	285	1,944
2027	1,694	39	1,733
2028	1,694	24	1,718
2029	1,694	24	1,718
2030 to 2051	41,812	–	41,812
Total estimated obligations	50,164	823	50,987

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

14. Employee future benefits

All eligible employees of the Museum are covered by the Public Service Pension Plan (the “Plan”), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Museum. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees’ required contribution. The required employer contribution rate depends on the employee’s employment start date. For employment start dates before January 1, 2013, the Museum’s contribution rate effective at year-end was 1.02 times the employee’s contribution (2023 – 1.02); and for employment start dates after December 31, 2012, the Museum’s contribution rate effective at year-end was 1.00 times the employee’s contribution (2023 – 1.00) for a defined salary threshold. On the portion of salaries above the defined threshold, the Museum is required to contribute on a ratio of 4.63 times the employees’ contributions (2023 – 5.29). Total employer contributions of \$502 (2023 – \$490) were recognized as an expense in the current year.

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of two percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with the Canada Pension Plan benefits and are indexed to inflation.

15. Related party transactions

The Museum is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations. Related parties also include key management personnel having authority and responsibility for planning, directing and controlling the activities of the Museum. This includes the Senior Leadership Team, all members of the Board of Trustees and close family members thereof.

The Museum enters into transactions with related parties in the normal course of business on normal trade terms applicable to all individuals and enterprises. In addition to the related party transactions disclosed elsewhere in these financial statements, the Museum incurred expenses totaling \$1,946 (2023 – \$1,898) in rent and related costs and payment in lieu of taxes paid to the Halifax Port Authority which is included under Accommodation expenses.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

16. Financial instruments

a) Fair value measurement hierarchy

All financial instruments must be classified in accordance with the significance of the inputs used in making fair value measurements. The fair value hierarchy prioritizes the valuation techniques used to determine the fair value of a financial instrument based on whether the inputs to those techniques are observable or unobservable:

- i) Level 1 – Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets and liabilities.
- ii) Level 2 – Financial instruments are considered Level 2 when they are valued using quoted prices for similar assets and liabilities, quoted prices in markets that are not active, or models using inputs that are observable.
- iii) Level 3 – Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

16. Financial instruments (continued)

a) Fair value measurement hierarchy (continued)

The fair value hierarchy of endowment financial assets at March 31 is as follows:

Endowment financial assets	Level 1	Level 2	Level 3	2024
Cash and short-term investments	84	–	–	84
Investment funds - Fixed income	1,801	1,519	–	3,320
Investment funds - Global equity	–	5,848	–	5,848
Investment funds - Alternatives	–	1,703	–	1,703
Total endowment financial assets	1,885	9,070	–	10,955

Endowment financial assets	Level 1	Level 2	Level 3	2023
Cash and short-term investments	23	–	–	23
Investment funds - Fixed income	1,820	1,530	–	3,350
Investment funds - Global equity	–	4,879	–	4,879
Investment funds - Alternatives	–	1,526	–	1,526
Total endowment financial assets	1,843	7,935	–	9,778

Cash and short-term investments have a maximum term to maturity of three months and are redeemable on demand without prior notice or penalty. Short-term investments including notes and money market instruments are valued at cost plus accrued interest.

Select fixed income securities, including government and corporate bonds, are held directly in an effort to reduce trading costs. Fair value of the fixed income portfolio investments is measured using the average of the bid and ask prices.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

16. Financial instruments (continued)

a) Fair value measurement hierarchy (continued)

Equity and alternative investments are held through pooled and mutual fund trusts. Global equity assets include long-only equity securities that trade across a range of global exchanges. The fair value of securities which are actively traded are valued at the close price on the recognized stock exchange on which the securities are listed or principally traded. Investments for which reliable quotations are not readily available, or for which there is no closing price, are classified as Level 2.

Alternative strategies have traditionally provided a lower overall volatility and correlation to traditional equity indices. Their objective is to generate positive returns regardless of market conditions. The alternative portfolio includes exposure to Canadian banks, Canadian dividend-paying equities, and European dividend-paying equities, with the mitigation of downside risk using covered call options. Alternative portfolio investments are classified as Level 2.

During the years ended March 31, 2024 and 2023, there were no transfers between levels in either direction.

b) Risk management

The Museum is exposed to a variety of financial risks as a result of its activities. These risks include credit risk, liquidity risk and market risk (foreign currency risk, interest rate risk and other price risk).

In accordance with the Museum's Investment Policy approved by the Board, the capital of the endowment fund is protected in perpetuity and the Museum can only draw upon the endowment earnings to fund educational and public programming, national outreach, travelling exhibitions, exhibition development and other similar priorities of the Museum. The overall investment objective is to provide sufficient liquidity to meet the annual anticipated spending requirements, allowable from endowment earnings, while providing adequate growth to maintain the purchasing power of the endowment fund's capital.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024
(in thousands of dollars)

16. Financial instruments (continued)

b) Risk management (continued)

The Board and management are committed to prudent management of the endowment fund resources, in a manner consistent with the prior year. In order to manage risk, the Museum utilizes the services of an investment consultant and invests in a diversified portfolio. The objectives are to invest in high quality financial instruments with creditworthy counterparties by limiting the amount that can be invested in any one counterparty and by using other limits set out in the Museum's Investment Policy. The current Investment Policy, approved by the Board in November 2022, has permissible ranges of 0-10% cash and short-term investments, 20-60% fixed income, 30-65% global equity and 0-40% alternative assets.

The Museum has identified and assessed its exposure with respect to financial risks as follows:

(1) Credit risk

Credit risk is the risk of financial loss to the Museum associated with a counterparty's failure to fulfill its financial obligations and arises principally from the Museum's cash, endowment cash and investments and accounts receivable. The Museum minimizes its credit risk by dealing only with reputable and high quality financial institutions and by investing in high quality financial instruments per limits set out in the Museum's Investment Policy. The Museum has determined that its credit risk is not significant.

i) Endowment cash and investments

Per the Museum's Investment Policy for the endowment fund, endowment investments are to be held in a diversified portfolio of cash and short-term investments, fixed income instruments, global equity and alternative assets through pooled funds and mutual funds. Through its investments in fixed income, global equity and alternative assets, the Museum is indirectly exposed to the credit risk of the underlying investments of those funds. These risks are managed at the investment manager level.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024
(in thousands of dollars)

16. Financial instruments (continued)

b) Risk management (continued)

(1) Credit risk (continued)

ii) Accounts receivable

The Museum is exposed to credit risk from customers in the amount of \$201 (2023 – \$213) in the normal course of business. The accounts receivable are net of applicable allowance for doubtful accounts, which is established based on specific credit risk associated with individual accounts and other relevant information. Concentration of credit risk with respect to receivables is limited, due to the small value of transactions with parties other than government departments.

As at March 31, 2024, no accounts receivable were past due (over 30 days) (2023 – \$2) of which \$6 (2023 – nil) were provisioned by an allowance for doubtful accounts. The Museum did not classify other accounts receivable as impaired as they generally relate to government clients which are considered low risk with respect to collection.

(2) Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the Museum's net results of operations or the fair value of its holdings of financial instruments.

i) Foreign currency risk

The endowment investments include \$4,781 (2023 – \$3,836) of underlying investments in fixed income, global equities and alternatives classifications containing unhedged foreign currency exposure. The funds denominated in Canadian dollars with foreign currency exposure may enter into forward currency transactions or similar vehicles to insulate the funds from significant price changes due to the change in exchange rates. The foreign currency risk has been determined to be moderate as such funds represent 44% of the portfolio at March 31, 2024 (2023 – 39%).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

16. Financial instruments (continued)

b) Risk management (continued)

(2) Market risk (continued)

i) Foreign currency risk (continued)

At March 31, 2024 and 2023, the Museum did not have any liabilities in a foreign currency which would be exposed to fluctuations in exchange rates.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Financial assets and financial liabilities with variable interest rates expose the Museum to cash flow interest rate risk. The Museum's cash balance and its endowment investments, which include cash and short-term investments and fixed income funds, earn interest at fixed rates or have values dependent on interest rates.

The Museum manages its interest rate risk by maintaining a mix of fixed income investments which meet the criteria outlined in the Investment Policy. The investment consultant monitors exposures to interest rate risk per the Investment Policy.

The sensitivity of the cash balance to a 1.0% decrease in the interest rate would be a reduction in interest income of \$72 for the year ended March 31, 2024 (2023 – \$67).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2024

(in thousands of dollars)

16. Financial instruments (continued)

b) Risk management (continued)

(2) Market risk (continued)

iii) Other price risk

Other price risk arises when the fair value of equity funds changes due to a decrease in a stock market index or other risk variables. The endowment investments include \$5,848 in funds with underlying equity investments (2023 – \$4,879). In addition, there is \$1,703 in alternative assets which are correlated to the stock market indices in Canada and Europe (2023 – \$1,526).

The sensitivity of the endowment investment is calculated using a 5% decrease in the market prices. At March 31, 2024, if market prices had a 5% decrease with all other variables held constant, the decrease in remeasurement gains and losses for the year would have been \$378 due to the decrease in the fair value of financial assets (2023 – \$320). As a percentage of the total endowment portfolio, such losses would represent a decline of 3.4% (2023 – 3.3%).

(3) Liquidity risk

Liquidity risk is the risk that the Museum will not be able to meet its financial obligations as they fall due. The Museum has determined that its liquidity risk is not significant.

As at March 31, 2024, all accounts payable and accrued liabilities of the Museum were due within three months.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2024

Schedule 1 – Operating Revenue

<i>(in thousands of dollars)</i>	2024	2023
Hall rental	647	521
Exhibition hall ticket sales	578	687
Special events	303	294
Gift shop	280	294
Programming	98	76
Family history centre	73	76
Total operating revenue	1,979	1,948

Schedule 2 – Expenses

<i>(in thousands of dollars)</i>	2024	2023
Personnel costs	6,657	6,318
Rent and related costs	1,705	1,703
Amortization of capital assets	1,255	1,270
Operating supplies and services	503	418
Marketing, promotion and recognition	399	363
Exhibition and programming	383	273
Repairs and maintenance and building operation	378	330
Utilities	353	390
Cost of goods sold	291	296
Professional and special services	284	361
Office supplies and administration	241	284
Payment in lieu of taxes	241	195
Travel and hospitality *	217	162
Total expenses	12,907	12,363

* The travel and hospitality amount includes \$7 of hospitality donated in-kind (2023 – \$6). Offsetting revenues of the same amount were recorded under Donations.