



2018 - 2019 Annual Report

Canadian Museum of Immigration at Pier 21



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





Canadian Museum of Immigration at Pier 21
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2018-2019

Annual Report





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MESSAGE FROM THE CHAIR



On behalf of the Board of Trustees, I am pleased to present the 2018-19 Annual Report for the Canadian Museum of Immigration at Pier 21.

As Canada's national museum of immigration, it is our honour and responsibility to preserve and to share our country's immigration stories. These are the stories that reflect who we are as a nation and that illustrate the vast contributions immigrants have made to Canada's culture, economy and way of life.

The centrepiece of our national mandate is our travelling exhibition program. In 2018-19, the Museum's first travelling exhibit, *Canada: Day 1* completed its national tour. *Canada: Day 1* tells the story of first-day experiences in Canada. *Refuge Canada*, the Museum's second travelling exhibit, explores the forces and events that drive people from their homes and shares their stories of loss, fear, and hope on their often dangerous journeys to their new life in Canada. *Refuge Canada* was an enormous success while onsite at the Museum in 2018-19 and I am sure it will be well received as it begins its national tour in June of 2019.

On behalf of the Board of Trustees, I would like to acknowledge the wonderful work and dedication of our staff and our volunteers in 2018-19, as highlighted throughout this annual report. We would like to thank the Government of Canada for its ongoing support. We are grateful to all our corporate and individual supporters: the leaders, donors, partners and friends who have helped us achieve so much. We look forward to maintaining our close relationship with all of you as we continue our efforts to expand and enhance our reach and impact.

Finally, I would like to thank the eight dedicated members of the museum's Board of Trustees who have completed their terms during this year. They have left a lasting legacy that we will not forget.

A handwritten signature in black ink that reads "Robert Vineberg". The signature is written in a cursive style and is positioned above the printed name.

Robert Vineberg
Chair of the Board of Trustees

MESSAGE FROM THE CEO

It is with tremendous pride that I present the Museum's 2018-19 Annual Report to the people of Canada. I am honoured to lead an organization, which has accomplished so much since we were entrusted with the privilege of becoming Canada's sixth national Museum.

It was a remarkable year on many fronts. In 2018-19, we attracted a record number of visitors to the Museum, we improved our extremely high visitor satisfaction rating to 97%, and we raised more self-generated revenue than ever before. We also enhanced our national reach through our travelling exhibits, enhanced online collection, and strategic marketing and communications efforts.

Our new positioning statement: "Countless Journeys. One Canada." encapsulates our important role and responsibility to collect, share and pay tribute to Canada's immigration stories. Telling these compelling stories of refuge and immigration – historical and present day – is a great honour and responsibility.

I come to work every day proud of the work we do, inspired by the stories we hear, and mindful of the trust Canadians have put in us to safeguard and share their personal histories.

These are exciting times at the Museum and I am proud of the many accomplishments of our dedicated staff and volunteers. I am thankful for the support of our Board of Trustees, the engagement of our many partners and friends, and the generosity of the Government of Canada and our many donors.



A handwritten signature in black ink that reads "Marie Chapman". The signature is fluid and cursive.

Marie Chapman
Chief Executive Officer

About the Canadian Museum of Immigration at Pier 21

Pier 21 is a National Historic Site which was the gateway to Canada for almost one million immigrants between 1928 and 1971. It also served as the departure point for 368,000 Canadian Military personnel during the Second World War. Pier 21 reopened on July 1, 1999, as an interpretive centre, and in February 2011, it began operating as the Canadian Museum of Immigration at Pier 21 - Atlantic Canada's only National Museum.

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 PROUD HISTORY OF PIER 21

Between 1928 and 1971, Pier 21 welcomed almost one million immigrants seeking adventure, employment, security and opportunity in Canada. They included refugees, evacuees, war brides and displaced children. They would go on to contribute immeasurably to Canada's way of life and growth as a nation.

Pier 21 also played a 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 history would live on through the vision and dedication of the Pier 21 Society.



THE PIER 21 SOCIETY MUSEUM

The Pier 21 Society, a non-profit charitable organization, was founded in 1988. Its dream was to transform the immigration shed into a world class museum that would honour the people who passed through its doors and the importance of immigration throughout Canada's history. Thanks to the tireless efforts and generosity of many supporters, the Pier 21 Museum opened on Canada Day 1999.

BECOMING A NATIONAL MUSEUM

In June 2009, the Prime Minister announced that the Government of Canada would create a new national museum at Pier 21 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. In February 2011, the Canadian Museum of Immigration at Pier 21 became the first national museum in Atlantic Canada.

In June 2015, an expanded Museum was launched, paying tribute to the important Pier 21 history, as well as the broader stories of immigration to our country, both historical and present day.

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 objective: *Diversity is Canada's Strength*. 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 Regulations*; 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 and oversight.

The *Museums Act* provides for an eleven-member Board of Trustees that is appointed by the Minister with the approval of the Governor in Council. Trustees 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, provide oversight to financial planning and performance, capital projects, and assess the Director/Chief Executive Officer's performance.

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 to the management of the Museum's human resources and governance.

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

An Investment Sub-Committee to provide advice to the Board on the endowment fund investments, guided by the Museum's Investment Policy.

Chair



Robert Vineberg
Winnipeg, MB
Term: 12/14/17 to 12/13/21

Vice-Chair



Bruce Manion, FCPA, FCMA
Fall River, NS
Term: 01/31/19 to 01/30/23



Salima Ebrahim
Edmonton, AB
Term: 06/01/18 to 05/31/22



Katherine Hambly
Charlottetown, PEI
Term: 01/18/19 to 01/17/23



Daniel Hurley
Gabriola Island, BC
Term: 01/18/19 to 01/17/23



Mona Kumar
Mississauga, ON
Term: 06/01/18 to 05/31/22



Caroline Lavoie
Montréal, QC
Term: 03/01/18 to 02/28/22



Terrie Miller
Toronto, ON
Term: 01/18/19 to 01/17/21



Donald Obonsawin
Stouffville, ON
Term: 01/18/19 to 01/17/23



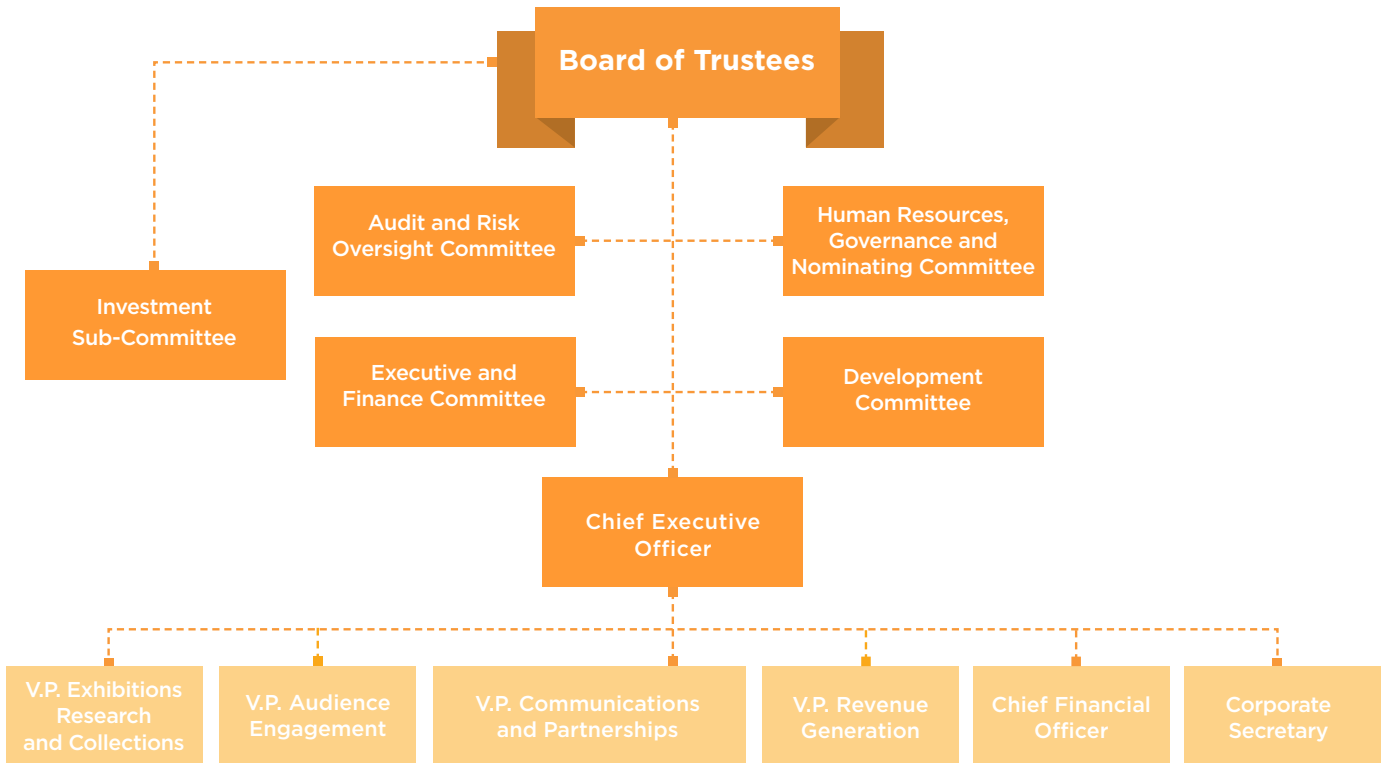
Carrie Ross
Regina, SK
Term: 02/26/15 to 02/25/19



Cynthia Price Verreault
Montréal, QC
Term: 01/18/19 to 01/17/23

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.



Museum staff and volunteers.

THE SENIOR LEADERSHIP TEAM



Left to right: Fiona Valverde, Tanya Bouchard, Jennifer Sutherland, Kendall Blunden, Carrie-Ann Smith, Marie Chapman, Jennifer Tramble.

Marie Chapman, Director/Chief Executive Officer

Kendall J. Blunden, CPA, CA, Chief Financial Officer

Tanya Bouchard, Vice-President, Exhibitions, Research and Collections

Carrie-Ann Smith, Vice-President, Audience Engagement

Jennifer Sutherland, Vice-President, Communications and Partnerships

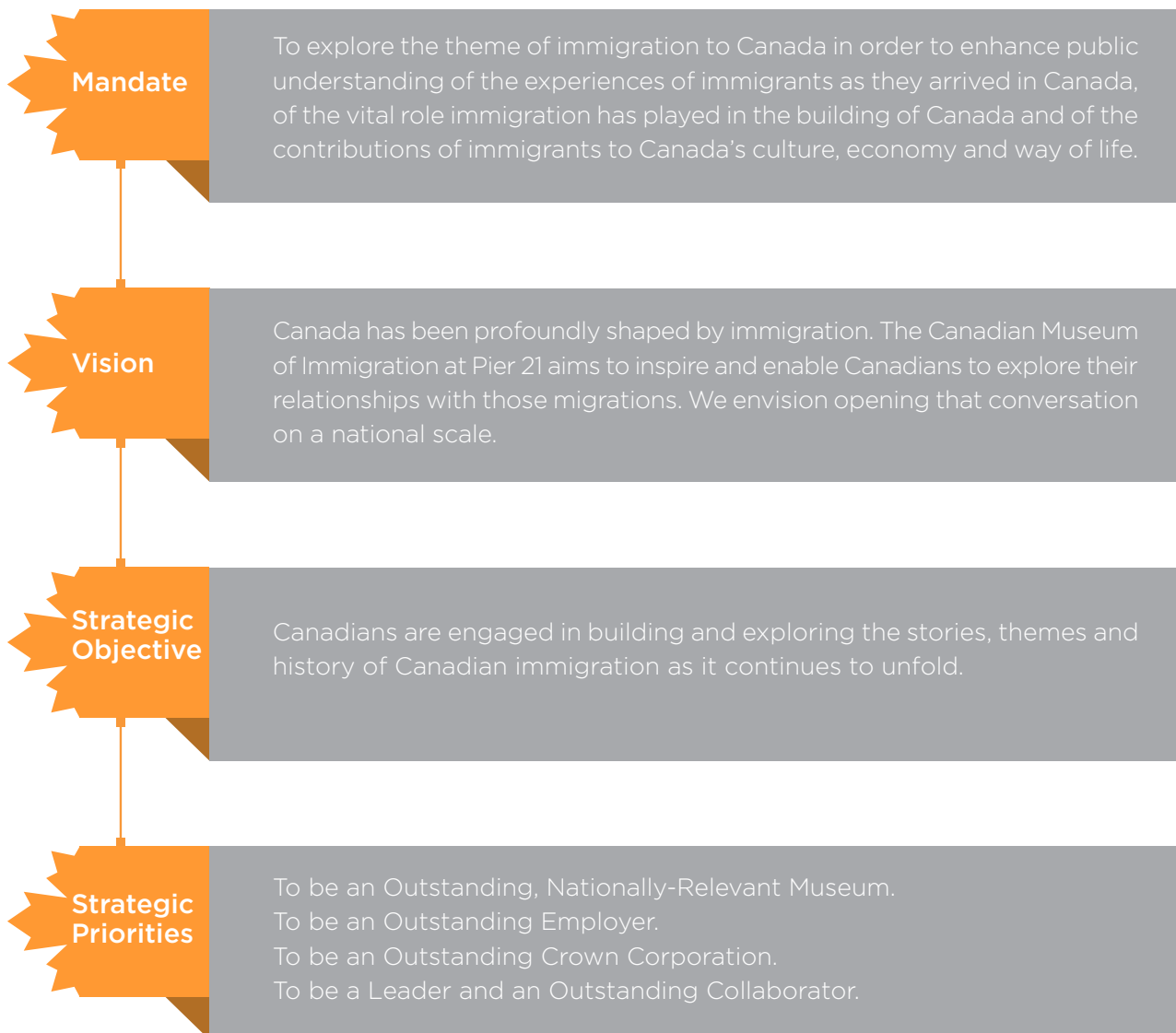
Jennifer Tramble, Corporate Secretary

Fiona Valverde, Vice-President, Revenue Generation

The Museum had 55 full-time equivalent staff at the end of March 2019. In addition to the highly committed and dedicated staff, the Museum benefits from an extensive network of loyal volunteers.

STRATEGIC DIRECTION

The Museum's strategic direction flows from its mandate and vision to objective and strategic priorities:



KEY STRATEGIC PRIORITIES

To be an
**Outstanding,
Nationally-
Relevant
Museum**

To be an **Outstanding Museum with National Relevance** that is engaging, reflects the diverse experiences and contributions of all immigrants throughout Canada's history, is respected for its curatorial integrity and has relevance to Canadians across the country.

To be an
**Outstanding
Employer**

To be an **Outstanding Employer** that builds a workplace that is fair, enabling, healthy and safe and a workforce that is productive, principled, adaptive and representative of the diversity inherent in Canadian society.

To be an
**Outstanding
Crown
Corporation**

To be an **Outstanding Crown Corporation** that is fiscally responsible, well-managed, compliant with applicable laws, policies and guidelines, and fully accountable to Canadians for results.

To be a
**Leader and an
Outstanding
Collaborator**

To be a **Leader and an Outstanding Collaborator** in order to develop content and programming, leverage opportunities to showcase the Museum across the country and to support sister institutions in the Canadian Heritage Portfolio to deliver their mandate to more Canadians.



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.

Strategic Objective

Canadians are engaged in building and exploring the stories, themes and history of Canadian immigration as it continues to unfold.

Core Responsibility 1 Visitor Experience and Connections

Canadians have access to—and are engaged in building—Museum content and programming that reflect the diverse experiences and contributions of immigrants throughout Canada's history.

Core Responsibility 2 Accommodations

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.

Core Responsibility 3 Fundraising and Commercial Activities

The Museum's fundraising and commercial activities provide essential financial support.

RESULTS

In the 2018-19 fiscal year, the Museum delivered on key priorities in all areas. Highlights are as follows:

STRATEGIC PRIORITY 1

TO BE AN OUTSTANDING MUSEUM WITH NATIONAL RELEVANCE

RESEARCH AND CONTENT DEVELOPMENT

Museum content explores the theme of Canadian immigration, regardless of point of entry, and the contribution of all immigrants to Canada's nation-building.

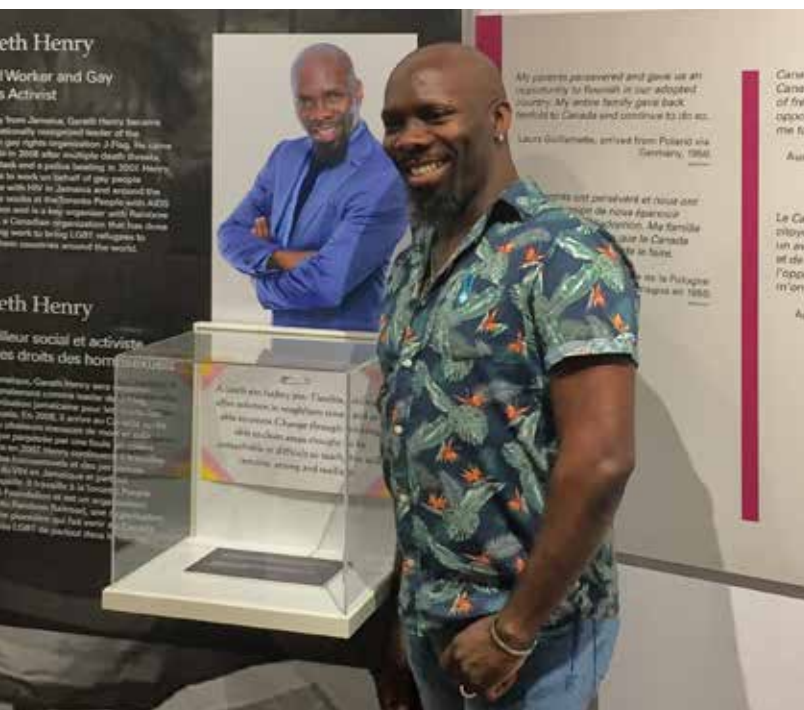
Key Commitments to March 31, 2019

- ✦ Actively collect engaging oral histories, documents and stories that reflect the Museum's mandate, Canada's multicultural mosaic and its linguistic duality for travelling exhibitions, the Museum's permanent exhibit and the web.
- ✦ Continue to catalogue the Museum's Collection and make it available to Canadians onsite and online, with the following targets for 2018-19:
 - 2,000 new acquisitions catalogued
 - 75% of the oral history and story collections accessible online
 - 6,000 digital image records online
- ✦ Continue development of a book on Pier 21 to be published in 2019-20.
- ✦ Partner with academic institutions to further the research plan and develop innovative programs and courses.

Complete at March 31, 2019

- ✦ Per the Collection Development Strategy, engaging oral histories and stories that reflect the Museum's national mandate are being collected. 46 new oral history interviews were completed in 2018-19.
- ✦ 1,000 new acquisitions have been catalogued (below the target based on acquisition rate). 1,667 story records and 702 oral histories have been made available online (75% target achieved), as well as 6,000 digital images.

- ✦ Final review of the book on Pier 21 is underway in preparation for publication in 2019-20.
- ✦ Academic partnerships include work with Dalhousie University on a Canadian studies course, *The idea of Canada*; participation on the steering committee for the *Landscapes of Injustice* collaborative project; and advising on oral history for the Canadian South East Asia Refugee Historical Research project, *Hearts of Freedom*, a collaborative partnership through Carleton University.



INTERPRETATION AND CONNECTIONS

Exhibitions and programming are innovative, compelling, thought-provoking and reflect the diversity of the immigrant experience within Canada; and visitors, both onsite and virtual, have access to unique and innovative content and experiences in both Official Languages.

Key Commitments to March 31, 2019

- ✦ Commence planning for the enhancement of the Contributions Zone of the Canadian Immigration Hall core exhibition responding to audience feedback and experiences.
- ✦ The national tour of the Museum's first travelling exhibit, *Canada: Day 1*, continues through 2019.
- ✦ The Museum's second temporary exhibit, *Refuge Canada*, is exhibited onsite. The travelling exhibit is completed for Q1 2019-20 launch.
- ✦ Increase online content by 20% to more fully reflect the diversity of the immigration experience in Canada.
- ✦ Continue to showcase French-language films and those that explore a wide range of cultures and historic themes through the *Diversity Spotlight* film series.

Complete at March 31, 2019

- ✦ The conceptual plan for the Contributions Zone was completed in Q2 and a contract has been awarded for the redesign. The redeveloped space will open to the public in Q1 2021-22.
- ✦ The Museum's first travelling exhibition, *Canada: Day 1* has visited 12 cities since June 2014 and completed its tour in Waterloo, ON, in January 2019.
- ✦ The *Refuge Canada* temporary exhibit opened onsite and attracted 52,000 visitors between March and November of 2018. The travelling exhibit will begin its national tour at the Peel Art Gallery Museums and Archives in Brampton, ON, in June 2019.
- ✦ Continued expansion of the website and digital engagement strategies have increased online content by 24% and web visitation by 18%.
- ✦ Offered 46 public programs such as the *Diversity Spotlight* film series, *Discover Culture* family program and community outreach programs attracting over 13,000 public programming visitors to the Museum.



VISITOR EXPERIENCE

The visitor experience makes possible personal and emotional connections and builds audience loyalty and repeat attendance.

Key Commitments to March 31, 2019

- ✦ Continue to build on the awareness generated by the Museum expansion and ensure plans generate visitation, both locally and nationally.
- ✦ Collect qualitative and quantitative visitor data and act on key findings.
- ✦ Continue the successful guest speaker series to attract new and repeat visitors to the Museum.
- ✦ Continue the Artist-in-Residence program to enhance the visitor experience, offer programming opportunities and attract visitors.

Complete at March 31, 2019

- ✦ 133,909 people experienced the Museum in 2018-19, including 71,504 paid visitors, 3,111 unpaid visitors, 5,195 school children, 29,997 visitors to the Scotiabank Family History Centre, and 24,102 event and public programming participants.
- ✦ 97% of respondents surveyed rated their visitor experience as satisfying or very satisfying.
- ✦ The guest speaker series consisted of five *Pier 21 Reads* events featuring authors Sharon Bala, Carmen Aguirre, Tima Kurdi, Sandra Semchuk, and Cecil Foster.
- ✦ The museum's third Artist-in-Residence, potter Shauna MacLeod, created 300 serving bowls formed with Nova Scotia red earthenware clay. Her bowls will be given to newcomer refugees by ISANS upon their arrival.





ACCESS AND AWARENESS

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, 2019

- ✦ Develop a brand strategy for consistency of message and experience across all touchpoints.
- ✦ Integrated marketing and communications support for the *Canada: Day 1* travelling exhibit and the launch of the *Refuge Canada* exhibit.
- ✦ Continue digital engagement work to build online engagement and visitation.
- ✦ Continue to grow the mailing list through active offer to Museum patrons and build audience engagement through a monthly e-newsletter.
- ✦ Continue the blogger relations and travel writer outreach program.

Complete at March 31, 2019

- ✦ New brand positioning has been developed. The **"Countless Journeys. One Canada."** positioning statement is being utilized in marketing and promotional material.
- ✦ Both the *Canada: Day 1* exhibit and the *Refuge Canada* exhibit received positive media coverage in their markets in 2018-19.
- ✦ Digital engagement strategies increased web visitation to more than 500,000 unique visits (18% increase over 2017-18).
- ✦ 4,700 subscribers to the monthly e-newsletter.
- ✦ Outreach to bloggers and travel writers and other media outlets has generated significant coverage in traditional media as well as online.

Countless Journeys. One Canada.



D'innombrables voyages. Un Canada.

STRATEGIC PRIORITY 2

TO BE A LEADER AND OUTSTANDING COLLABORATOR

OUTREACH AND COLLABORATION

The Museum collaborates with sister museums where relationships result in shared exhibits, cross-training and meaningful work that furthers the respective mandates of each; and the Museum is viewed as a positive collaborator with other key stakeholders including other museums, cultural and immigration groups, universities and tourism organizations.

Key Commitments to March 31, 2019

- ✦ Begin a relationship with the Mi'kmaq to help ensure exhibits and programming are respectful and inclusive.
- ✦ Host public programming workshops where *Canada: Day 1* and *Refuge Canada* are presented, providing a unique opportunity for outreach and partnerships across the country.
- ✦ Continue to work with official language partners and opportunities to enhance linguistic duality.
- ✦ Leverage Signature Experience status through Destination Canada, denoting the Museum as one of a select group of “once-in-a-lifetime travel experiences” found only in Canada.
- ✦ Continue to strengthen partnerships with the tourism sector, community partners, the academic community and other key stakeholders and develop new audiences across Canada.

Complete at March 31, 2019

- ✦ Work with the Assembly of Nova Scotia Mi'kmaq Chiefs on the creation of a plaque to acknowledge that the Museum is located in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq people.
- ✦ *Canada: Day 1* public programs were offered at the Mosaiq Festival and at Resurgo Place in Moncton.
- ✦ Work with official language partners included a National Acadian Day event with l'Acadie de Chezzetcook, a partnership with francophone tourism site *Corridor*, and various French language public programs.
- ✦ *Refuge Canada* public programming included three *Pier 21 Reads* events, *Refuge Canada* tours with a LGBTQ+ focus, and two *Diversity Spotlight* film events.
- ✦ The Halifax immigration harbour tour has been postponed to 2019-20 due to challenges securing a reliable partner.
- ✦ Successful partnerships in 2018-19 included Symphony Nova Scotia, Halifax Pride, Flamenco en Rouge, Tidal League, Tourism Nova Scotia and 2BTheatre.



STRATEGIC PRIORITY 3

TO BE AN OUTSTANDING CROWN CORPORATION

SOUND MANAGEMENT OF RESOURCES

The organization and its resources are aligned in a way that enables the Museum to achieve its mandate and to adopt sound and efficient governance and stewardship practices.

Key Commitments to March 31, 2019

- ✦ Leverage opportunities for revenue generation and public awareness in conjunction with the expanded Museum.
- ✦ Achieve self-generated revenue targets of \$2.86 million in 2018-19, including \$1.44 million from fund development.
- ✦ Identify, cultivate and solicit major gift donors for new Museum spaces and programs, continue to steward past donors and continue with successful special event fundraisers.

Complete at March 31, 2019

- ✦ Achieved net self-generated revenues of \$3.19 million, exceeding the target of \$2.86 million, and up over the \$2.89 million in 2017-18. This includes \$1.27 million from fund development, just short of the target of \$1.44 million.
- ✦ Major gifts were below target for the year at \$900,000, versus a budget of \$1.1 million. A leadership level annual giving club - the Pier 21 Club - continued with 30 members. Fundraising special events continued to generate funds and grow national awareness. Annual giving and planned giving also exceeded targets.

Refugee Canada

Refugees face shattered lives and often make dangerous voyages in search of refuge. In the 20th century, Canada had a mixed record in welcoming refugees, reacting generously to some while overlooking others. Today, an estimated 70 million people are forced to flee their homes because of fear and violence.

In the past century, we have seen this, another 20 per cent of the world's population has lost their homes.

Refugiés font face à des vies fracturées et font souvent des voyages dangereux en quête d'un refuge. Au 20^e siècle, le Canada a eu un bilan mitigé quant à son accueil des réfugiés, réagissant avec une grande générosité envers certains alors que d'autres ont été laissés de côté. Aujourd'hui, un total estimé de 70 millions de personnes sont forcées de fuir leur pays en raison de la peur et de la violence.

Il a fallu pour que vous voyez ces personnes ont été forcées de fuir leur pays.



SOUND GOVERNANCE

The Corporation meets or exceeds recognized standards for Corporate Governance and has in place the instruments that are conducive to sound management and accountability.

Key Commitments to March 31, 2019

- ✦ Continue to refine and implement the Museum's Performance Management Framework as a tool for monitoring and reporting on performance, and for course-correction as required.
- ✦ Continue to refine and implement an enterprise risk management approach across the organization.
- ✦ Increase proactive disclosure and enhance transparency and open communication.

Complete at March 31, 2019

- ✦ Reporting of results and review of risks each quarter to ensure appropriate oversight, risk management and adjustments where needed.
- ✦ Increased proactive disclosures of travel, hospitality and conference expenditures as well as contracts over \$10,000.





ACCOMMODATIONS

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.

Key Commitments to March 31, 2019

- ✦ The Museum facilities provide suitable and accessible space for visitors, staff, volunteers and programming.
- ✦ Exhibits can be easily interpreted and accessible by the visually and hearing impaired as well as those with mobility challenges.

Complete at March 31, 2019

- ✦ Washroom renovation in Museum space is complete, updating the space and enhancing accessibility.
- ✦ Continued compliance with all applicable codes and zero accidents onsite.
- ✦ Visitors have access to all public areas of the Museum regardless of physical challenge, and are able to fully engage in the onsite Museum experience.





STRATEGIC PRIORITY 4

TO BE AN OUTSTANDING EMPLOYER

INTERNAL SERVICES

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

Key Commitments to March 31, 2019

- ✦ Continue to implement a performance management program across the Corporation that recognizes results and the Museum's core values.
- ✦ Offer room for advancement and learning within the organization, supported by training, development and education opportunities, including a focus on language training.
- ✦ Provide ongoing opportunities for volunteer engagement, development and appreciation of the important role they play in the Museum's success

Complete at March 31, 2019

- ✦ 100% of employees participated in professional development and educational opportunities.
- ✦ 71% of full-time staff are either bilingual or are participating in language training.
- ✦ Continued engagement of more than 100 volunteers.





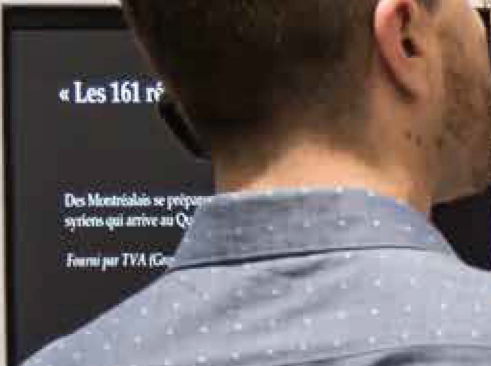
Une gamme d'opinions

L'attitude du public envers les réfugiés change avec le temps, et cela affecte leur accueil et leurs expériences au Canada.

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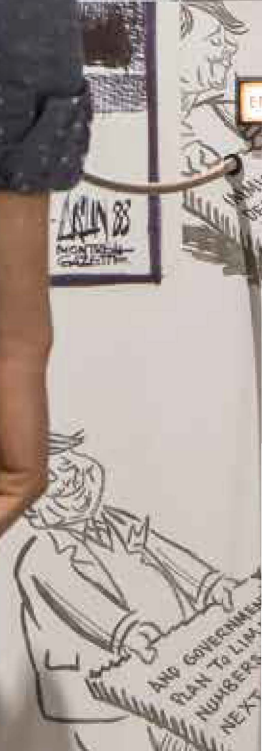
He added:
"I think I can say that provision being made which will be satisfactory to the people of Canada generally to have men of the highest type brought here to replace prisoners-of-war who are being removed. These men will be brought here in as large numbers as prisoners-of-war are removed, and possibly in greater numbers when the announcement is made that these men are coming from and here everyone knows that they are prisoners-of-war with better performance."

IF YOU ASK ME, THIS

cross the desert betw... and Texas and Ind...

REFUGEE

EN FR





HUMAN SMUGGLING RACKET IS GETTING OUT OF HAND.



Girl: Dad, where are we?



...for refugee status, ...
...That review will cover the ...
...refugee applicants. ...
...of claimants are not passing the ...
...criteria, which is a clear indication ...
...it isn't an amnesty," Weiner ...
...said. ...
...Apparently it was ...
...I was de-

Just a few weeks ago, a white supremacist killed 6 Muslims in Canada. Today protestors surround a mosque in Toronto during Friday prayers.



The ...
...my solution as far ...
...for other refugees. ...
... (a) lives and ...
...ing family heads ...
...uple funds to ...
...left Germany ...
...difficulty is ...
...ants not holding ...
...bove mentioned, ...
...withstanding

unter ...
...pre-

TRUE VRAI

Canada takes a more ...
...than the other ...
...of refugees.

Let Canada remain the ...
...most responsible ...
...to refugees.

HIGHLIGHTS FROM 2018-19

- *Refuge Canada*
- Rentals success
- Saputo gift
- Chinese bus tours

REFUGEE CANADA



“No one wants to be a refugee, anyone can become a refugee.”

Refugees face fear, shattered lives and often dangerous voyages in search of refuge. Canada has provided that refuge for many. However, over the course of the twentieth century, Canada has had a mixed record in welcoming refugees, reacting generously to some while overlooking others.

The Museum’s second temporary and travelling exhibit, *Refuge Canada*, was launched onsite in March of 2018. The exhibition examines Canada’s place in the global refugee crisis and features powerful stories and artifacts of the determined individuals who sought asylum in Canada.

Supported by the Ralph and Rose Chiodo Family Foundation, the temporary exhibition was viewed by more than 52,000 visitors onsite. The travelling version, supported by TD, will begin its national tour at the Peel Art Gallery Museums and Archives in Brampton, Ontario, in June of 2019.



SAPUTO FAMILY GIFT



Arriving from Sicily and Veneto in search of a brighter future, Lino and Mirella Saputo took their very first steps in Canada at Pier 21 in the 1950s. On August 14, 2018, they returned with their family to retrace their journey, marking the occasion with the announcement of a one million dollar gift from the Mirella and Lino Saputo Foundation to the Canadian Museum of Immigration at Pier 21.

“We are proud to support the Museum, and play a part in sharing the rich heritage of this historic place with all Canadians. It is not only our story that can be discovered here, but the family histories of the many immigrants whose contributions helped shape Canada.” – Lino Saputo



In recognition of their support and contribution to Canada, the Mirella and Lino Saputo Hall has been named in their honour. Located at the heart of the Museum, near the very gateway through which they first arrived, the Mirella and Lino Saputo Hall is a hub of activity where public and educational programs come to life and visitors gather for exhibition openings and guided tours. The Museum is honoured to inaugurate this well-loved space with the names of these inspiring benefactors, who share a commitment to celebrating our country's cultural heritage and the stories that shape our nation.

FACILITY RENTALS



In 2015, the Museum completed an expansion that doubled its size and included new facility rentals spaces. Since then, the Museum has been in high demand as a destination for meetings, events, conferences, concerts and more. Ocean backdrops, a history-steeped location and all the modern day conveniences make the Museum a popular venue for events that can range in size from 20 to 1,000 people.

2018-19 was a record year for facility rentals, with 218 events generating more than \$550,000 in revenue and attracting more than 42,000 guests to the facility. These events ranged from weddings and family celebrations, to corporate functions, to large international events such as the International Security Forum.

“The Pier 21 staff were a tremendous help leading up to our event and were more than accommodating for any day-of-event requests that came in. They ensured we had everything we needed to run a successful event and it proved to be the perfect location for what we were looking to execute.”

- Jake Walton. Coordinator, Marketing Events, Toronto Blue Jays Baseball Club

Self-generated revenue from facility rentals, the gift shop, ticket sales and fund development provide essential financial support for all public and educational programming, the Museum’s exhibitions and access to the Museum’s Collection.

CHINESE BUS TOURS



2018-19 was a record year for visitation, with more than 133,900 people experiencing the Museum. A key group of visitors was the Chinese bus tour market with 125 tours and 4,585 individuals visiting the Museum in the 2018-19 fiscal year.

In 2016, the Museum hired its first Mandarin-speaking interpreter and began targeting the Chinese bus tour market. Efforts to promote the Museum to tour providers continued and visitation grew steadily.

In 2018-19, the Museum produced a promotional video in Mandarin, opened a Wechat account and purchased a Wechat payment system. Two additional Mandarin-speaking interpreters have been hired for the 2019 tourism season and tours in Mandarin are offered daily.

135 tours are booked for 2019-20, a testament to the tour experience and to the combined efforts of various Museum teams.

MANAGEMENT DISCUSSION AND ANALYSIS

The amendments to the Museums Act that created the Canadian Museum of Immigration at Pier 21 (the Museum) as a Crown corporation defines its primary purpose. Its core business is to engage Canadians in building and exploring the stories, themes and history of Canadian immigration as it continues to unfold.

Consistent with the Government of Canada's Policy on Results (July 1, 2016), the Museum has adopted three core responsibilities as well as internal services, replacing the Program Alignment Architecture previously established. Reporting on these core responsibilities started in 2018-19.

Visitor Experience and Connections: Canadians have access to – and are engaged in building – Museum content and programming that reflect 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.

Performance

In its ninth year of operations, the Canadian Museum of Immigration at Pier 21 welcomed a record number of visitors. The exceptional attendance favourably impacted self-generated revenues.

The *Refuge Canada* temporary exhibit developed in-house was on display from March to mid-November 2018 and attracted the highest monthly visitation to date for a temporary exhibition at the Museum. *Refuge Canada* provides the context for Canada's place in the global refugee crisis and brings to light the challenges faced by refugees in Canada. The exhibition also shared stories of success and contributions made by people who came to Canada as refugees. A travelling version is in development and will begin touring in spring 2019. The travelling exhibit will be a key tool for national outreach and engagement.

The Museum also achieved significant results against all commitments made in the 2018-19 Corporate Plan, as detailed throughout this Annual Report.

The Museum is currently undergoing its first special examination by the Office of the Auditor General. The examination is anticipated to cover the period from October 2018 to May 2019, and will be completed in 2020.

Financial Results and Outlook

Since becoming a Crown corporation in 2010, the Museum has been working hard to transform to a national scope – one that tells the stories of immigration across Canada. In the 2015-16 fiscal year, the Museum completed a five year capital and thematic expansion enabling it to deliver on its national mandate. In 2018-19, the Museum continued to build its national scope as follows:

- Innovative approaches to audience attraction and audience engagement, both onsite and online, continued to be key priorities. This included enhanced programming; strategic marketing, communications and partnership efforts to expand reach, grow awareness

and attract visitors; and digital engagement via the website and via social media. These efforts resulted in visitation growth both onsite and online, national and international media attention, and high levels of visitor satisfaction

- The Museum’s first travelling exhibition *Canada: Day 1* completed its national tour and has visited 12 cities since June 2014. The smaller *Canada: Day 1* exhibitions developed with Immigration, Refugees and Citizenship Canada (IRCC) and Global Affairs Canada have toured sites nationally and internationally. *Canada: Day 1* explores the memories, impressions and experiences of immigrants on their first day in Canada, from Confederation to the present and was the Museum’s signature project for Canada 150.
- The Museum developed its second temporary and travelling exhibition, *Refuge Canada*, which opened onsite in March 2018 and was exhibited until November 2018, attracting 52,000 visitors. *Refuge Canada* will tour across the country from 2019 through 2023.
- Fund development, particularly major gifts, continued to be a key focus for the Museum as it grows the percentage of funding that is self-generated. Three new major gifts were secured in 2018-19.

The Museum currently has 55 full time equivalent employees, this is one less than the forecasted full complement. There were no new full time positions created in 2018-19 and none are forecast. The Museum is undergoing a unionization process with the Service Employees International Union Local 2, Brewery, General and Professional Workers’ Union. Certification took place on March 12, 2019 and collective bargaining has not commenced. All full-time and part-time Museum staff will be unionized, with the exception of 17 employees. It

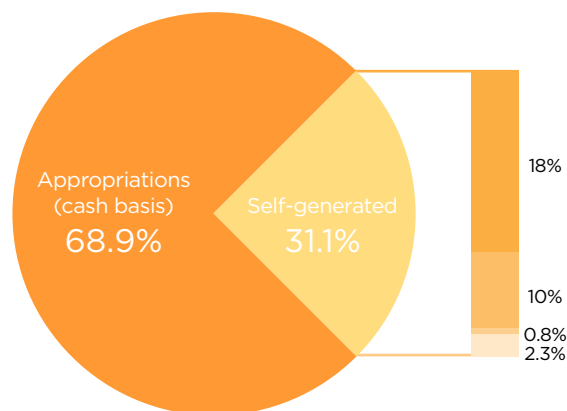
is too early to say what the potential impacts may be on the organization.

Operations

The operating results for the year yielded a net profit of \$751,000. When combined with \$3,595,000 in unrestricted net assets from 2017-18 and the current year \$257,000 recapitalization of the endowment fund, this results in unrestricted net assets at March 31, 2019 of \$4,089,000.

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.

2018-19 Source of Operating Funds



- Operating revenues
- Donations
- Interest and other
- Endowment investment net income

On an accrual basis, appropriations decreased \$77,000 for the year ended March 31, 2019, from \$10,059,000 to \$9,982,000. The Museum received its on-going operating appropriation base of \$7,700,000 as approved by Parliament plus \$121,000 for the compensation allocation adjustment. The remaining \$2,161,000 reflected

in appropriations for the year ended March 31, 2019 is the amortization of deferred contributions related to capital assets.

Operating revenues, donations, and interest and other revenues were \$3,259,000 for the year ended March 31, 2019, compared to \$3,027,000 in 2017-18. Operating revenues include exhibition hall ticket sales, hall rentals, programming, special events, gift shop and Scotiabank Family History Centre. The increase is mainly due to higher donations and higher operating revenues from ticket sales and rentals offset by lower special events revenues. More than 71,000 paid visitors came to the Museum in 2018-19, representing an increase of 11,000 more visitors than the prior year. The renovated rental spaces have proven to be popular and more versatile, which translates to higher revenues. Special events revenues are dependant on auction items received; the May 2017 California Wine Dinner had higher value items than May 2018. The 2018-19 special event revenues still exceeded budget.

Net income earned on the endowment investments of \$257,000 is included in the Statement of Operations for the year ended March 31, 2019. This amount was used for capital preservation of the endowment, in accordance with the Endowment Fund policies, as approved by the Board of Trustees. The amount is reflected in the 2018-19 financial statements as a transfer from unrestricted net assets to endowment net assets. For the year ended March 31, 2018, net income earned on the endowment investments was \$178,000 which was also used for capital preservation of the endowment.

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 decrease in the accumulated remeasurement gains of \$74,000 was

recorded for 2018-19, which results in an overall net positive performance for the endowment investments of \$183,000 compared to a net positive performance of \$145,000 for 2017-18.

Expenses for the year ended March 31, 2019, were higher than 2018, from \$12,591,000 in 2017-18 to \$12,840,000 in 2018-19 but were lower than budgeted. The \$249,000 increase is mainly due to the increase in personnel costs of \$277,000, which was lower than budgeted. Other increases and decreases in expenses offset each other. The \$86,000 net increase in exhibition and programming costs, which includes additional costs for the development of our new travelling exhibit *Refuge Canada* reduced by lower costs for temporary exhibits, is offset by the decreases in professional fees of \$113,000 and in amortization of capital assets of \$55,000 for assets that have reached their useful lives. Other smaller increases and decreases in expenses make up the balance.

Financial Position

Assets decreased by \$974,000 to \$27,357,000 at March 31, 2019, due primarily to the decrease in capital assets of \$1,952,000 offset by increases in cash of \$664,000 and endowment cash and investments of \$217,000. The decrease in capital assets is primarily due to amortization. The increase in cash is mainly due to the net results of operations.

Endowment cash and investments were \$8,770,000 at March 31, 2019, compared to \$8,553,000 in 2018. The increase consists of endowment contributions received of \$34,000, and the realized and unrealized endowment investment income of \$183,000 which represents the overall net performance of the endowment fund for the year.

Total liabilities decreased by \$1,685,000 to \$14,485,000 at March 31, 2019 primarily due to a

\$1,834,000 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 increased by \$494,000 to \$4,089,000 at March 31, 2019, due to this year's net results of operations minus the recapitalization of the endowment. The net assets related to the endowment fund of \$8,783,000 at March 31, 2019, include the cumulative endowment contributions of \$8,290,000, the accumulated remeasurement net gains of \$141,000 and the internally restricted net assets of \$352,000. Total endowment net assets increased by \$217,000 at March 31, 2019, due to \$34,000 in contributions received, the decrease in accumulated remeasurement gains of \$74,000 and the recapitalization of \$257,000.

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).

The long-term goal of the Museum's investment policy for the endowment fund is to produce long-term real returns to supplement the costs of programming, education, accessibility to education and other such areas, while permanently maintaining the endowment principal.

In order to manage risk concerning the endowment cash and investments, the Museum invests in a diversified portfolio that is managed by professional investment managers. The Museum's investments are guided by an investment policy approved by the Board and reviewed on an annual

basis. The Museum is assisted in the oversight and management of its portfolio by an Investment Sub-Committee that includes independent experts with experience in the investment field. In addition, the Museum uses the services of an independent investment advisor to assist the Investment Sub-Committee in its work. As the investment markets continue to evolve, the Investment Sub-Committee recommends adjustments to the asset mix to meet the overall acceptable risk of the portfolio and sets target allocations allowing asset class allocations to vary within a specified range.

The Board and Management have determined that all present financial risks are at an acceptable level. A detailed analysis of the financial risks is provided in the notes to the financial statements.

Other Business Risks

Payments in Lieu of Taxes (PILT) does not yet represent a significant financial pressure for the Museum, as is the case for other national museums. PILT, a non-discretionary fixed cost, is compensation paid to municipalities for the losses of property taxes incurred for Crown-owned properties, which are not subject to taxation. In 1996, Treasury Board approved a management regime that devolved the responsibility for funding PILT from Public Works and Government Services Canada (PWGSC) to individual organizations. Unlike PWGSC, most departments, agencies and Crown corporations did not receive the authority to seek annual adjustments in their appropriation to reflect PILT increases. It was anticipated that this could eventually pose challenges to small cultural organizations like museums. Discussions continue with Central Agencies, PWGSC and other relevant departments to find an appropriate solution to this issue.

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 as per the 40-year lease agreement negotiated on behalf of the Museum with the additional space, and it will continue to increase over the period of the lease. 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 in a strong financial position, and has a history of, and commitment to, fiscal prudence. The Museum's planning has shown it to have sufficient funds for the next five years but it will face financial pressures in the longer term. Since 2015-16, personnel costs and the non-discretionary costs for the facilities (rent, PILT, utilities, repairs and maintenance) exceed the amount of appropriations. This means that all funds for programming and other operating expenses, and some capital requirements, must be covered by self-generated revenue. The Museum has forecast higher revenue based on operating revenues and donations. Major gift philanthropy represents more than \$1 million a year for the next five years to attain current budgets. In order to meet these ambitious fund development targets required for financial stability, the Museum requires a few trustees that can play a role in major gift solicitation. The Museum is committed to financial sustainability and continues to work on plans to maximize revenue generation and minimize costs.



Financial Statements of

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2019

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 applicable to 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-laws 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 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 20, 2019



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

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, which comprise the statement of financial position as at 31 March 2019, 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 Canadian Museum of Immigration at Pier 21 as at 31 March 2019, 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 Canadian Museum of Immigration at Pier 21 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 Canadian Museum of Immigration at Pier 21'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 Canadian Museum of Immigration at Pier 21 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Canadian Museum of Immigration at Pier 21'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 Canadian Museum of Immigration at Pier 21'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 Canadian Museum of Immigration at Pier 21'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 Canadian Museum of Immigration at Pier 21 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-laws 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 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 Interim Auditor General of Canada

Halifax, Canada
20 June 2019

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Financial Position

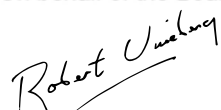
As at March 31, 2019
(in thousands of dollars)

	2019	2018
Assets		
Current assets		
Cash	\$ 4,507	\$ 3,843
Accounts receivable (note 3)	311	208
Inventory	126	173
Prepaid expenses	269	228
	<u>5,213</u>	<u>4,452</u>
Endowment cash and investments (note 9 a)	8,770	8,553
Capital assets (note 4)	13,373	15,325
Collections (note 5)	1	1
	<u>\$ 27,357</u>	<u>\$ 28,331</u>
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	\$ 686	\$ 540
Deferred revenue (note 7)	209	206
Deferred contributions related to capital assets (note 8)	13,590	15,424
Net assets		
Unrestricted	4,089	3,595
Internally restricted (note 10)	352	352
Accumulated rereasurement gains	141	215
Endowment (note 9 b)	8,290	7,999
	<u>12,872</u>	<u>12,161</u>
	<u>\$ 27,357</u>	<u>\$ 28,331</u>

Contractual obligations (note 12)

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

On behalf of the Board of Trustees:



Robert Vineberg
Chair of the Board of Trustees



Bruce Manion, FCPA, FCMA
Vice-Chair of the Board of Trustees

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Statement of Operations

For the year ended March 31, 2019
(in thousands of dollars)

	2019	2018
Revenues		
Operating (schedule 1)	\$ 2,039	\$ 1,941
Amortization of deferred contributions related to capital assets received from a related party (note 8)	93	93
Donations	1,131	1,041
Interest and other	89	45
	<u>3,352</u>	<u>3,120</u>
Expenses (schedule 2)		
Visitor experience and connections	4,485	4,362
Accommodation	4,961	4,952
Fundraising and commercial activities	1,237	1,192
Internal services	2,157	2,085
	<u>12,840</u>	<u>12,591</u>
Net result of operations before appropriations and endowment investment net income	<u>(9,488)</u>	<u>(9,471)</u>
Appropriations (note 11)	9,982	10,059
Endowment investment net income (note 9)	257	178
Net result of operations	<u>\$ 751</u>	<u>\$ 766</u>

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, 2019

(in thousands of dollars)

	2019	2018
Accumulated remeasurement gains, beginning of year	\$ 215	\$ 248
Realized (gains) losses on endowment investments reclassified to operations	(79)	60
Unrealized gains (losses) on endowment investments	5	(93)
Accumulated remeasurement gains, end of year	\$ 141	\$ 215

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, 2019

(in thousands of dollars)

	Unrestricted	Internally restricted	Accumulated remeasurement gains (losses)	Endowment	2019	2018
Net assets, beginning of year	\$ 3,595	\$ 352	\$ 215	\$ 7,999	\$ 12,161	\$ 11,383
Net result of operations	751	–	–	–	751	766
Transfer to (from) (note 10)	(257)	–	–	257	–	–
Remeasurement gains (losses)	–	–	(74)	–	(74)	(33)
Contributions received for endowment (note 9 b)	–	–	–	34	34	45
Net assets, end of year	\$ 4,089	\$ 352	\$ 141	\$ 8,290	\$ 12,872	\$ 12,161

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, 2019

(in thousands of dollars)

	2019	2018
Operating activities		
Appropriations received	\$ 7,821	\$ 7,843
Other cash received	3,330	3,162
Cash paid to employees and suppliers	(10,533)	(10,638)
Interest received	86	43
	704	410
Capital activities		
Acquisition of capital assets	(203)	(94)
	(203)	(94)
Investing activities		
Acquisition of endowment investments	(1,353)	(4,249)
Disposal of endowment investments	1,062	4,026
	(291)	(223)
Financing activities		
Appropriations received for the acquisition of capital assets	420	120
Contributions to endowment	34	45
	454	165
Increase in cash	664	258
Cash, beginning of year	3,843	3,585
Cash, end of year	\$ 4,507	\$ 3,843

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, 2019
(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.

Consistent with the Government of Canada's Policy on Results (July 1, 2016), the Museum has adopted three core responsibilities, as well as internal services, replacing the Program Alignment Architecture previously established. Reporting on these core responsibilities starts in 2018-19.

- 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.

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 reported on this directive in its 2016-17 corporate plan.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019

(in thousands of dollars)

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 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.

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 or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

2. Summary of significant accounting policies (continued)

b) Revenue recognition (continued)

ii) Donations (continued)

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.

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

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) 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.

v) 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.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

2. Summary of significant accounting policies (continued)

d) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the average cost method.

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	
Leasehold improvements	5 to 15 years
Core exhibitions	10 years
Immigration and ships database	5 years
Equipment	3 to 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.

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 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.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

2. Summary of significant accounting policies (continued)

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.

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 fund holdings in global equity, fixed income bonds and alternative assets, and are designated in the fair value category. 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 15 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, 2019
(in thousands of dollars)

2. Summary of significant accounting policies (continued)

j) Related party transactions

i) Inter-entity transactions

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

- Inter-entity transactions are measured 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.
- Goods or services received without charge between commonly controlled entities are not recorded.

ii) Other related party transactions

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

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

3. Accounts receivable

	2019	2018
Accounts receivable – external	\$ 120	\$ 86
Accounts receivable – government departments and agencies	191	122
	\$ 311	\$ 208

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

4. Capital assets

	Cost	Accumulated amortization	2019 Net book value
Leasehold improvements	\$ 21,822	\$ 12,243	\$ 9,579
Immigration and ships database	46	46	–
Equipment	906	813	93
Core exhibitions	5,631	2,177	3,454
Capital project - work in progress	247	–	247
	\$ 28,652	\$ 15,279	\$ 13,373

	Cost	Accumulated amortization	2018 Net book value
Leasehold improvements	\$ 21,822	\$ 10,581	\$ 11,241
Immigration and ships database	46	46	–
Equipment	963	896	67
Core exhibitions	5,631	1,614	4,017
	\$ 28,462	\$ 13,137	\$ 15,325

During the year, fully amortized out-of-use equipment with an original book value of \$112 was written off (2018 – nil).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

5. 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, 2019 and 2018, 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.

6. Accounts payable and accrued liabilities

	2019	2018
Accounts payable and accrued liabilities – external	\$ 607	\$ 410
Accounts payable and accrued liabilities – government departments and agencies	79	130
	<u>\$ 686</u>	<u>\$ 540</u>

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.

7. Deferred revenue

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

	2019	2018
Balance, beginning of year	\$ 206	\$ 226
Funds received during the year	530	544
Funds recognized as revenue during the year	(527)	(564)
	<u>\$ 209</u>	<u>\$ 206</u>

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

8. Deferred contributions related to capital assets

Deferred contributions related to capital assets represent contributed capital assets and restricted contributions, including appropriations, for the acquisition of capital assets. Deferred contributions are amortized to income on the same basis as the related capital assets are amortized. The changes in the deferred contributions balance for the years ended March 31 are as follows:

	Appropriations	Other contributions	2019
Balance, beginning of year	\$ 14,482	\$ 942	\$ 15,424
Add:			
Appropriations received to acquire capital assets	420	–	420
Less:			
Amortization of deferred contributions related to capital assets	(2,161)	(93)	(2,254)
Balance, end of year	\$ 12,741	\$ 849	\$ 13,590

	Appropriations	Other contributions	2018
Balance, beginning of year	\$ 16,578	\$ 1,035	\$ 17,613
Add:			
Appropriations received to acquire capital assets	120	–	120
Less:			
Amortization of deferred contributions related to capital assets	(2,216)	(93)	(2,309)
Balance, end of year	\$ 14,482	\$ 942	\$ 15,424

The unused portion of deferred contributions related to capital assets was \$217 at March 31, 2019 (2018 – \$99). Other contributions were received from a related party, the Halifax Port Authority, as per the lease of the Pier 21 premises for leasehold improvements to the premises.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

9. Endowment

a) Endowment cash and investments

Endowment cash and investments consist of the following:

	2019				2018	
	Cost	Fair value	Cost	Fair value	Cost	Fair value
Cash and money market funds	\$ 138	\$ 138	\$ 39	\$ 39		
Investment funds						
Fixed income	4,702	4,756	4,599	4,597		
Global equity	441	440	431	440		
Alternatives	3,348	3,436	3,269	3,477		
	8,491	8,632	8,299	8,514		
	\$ 8,629	\$ 8,770	\$ 8,338	\$ 8,553		

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

	2019	2018
Endowment net assets	\$ 8,290	\$ 7,999
Prior years cumulative endowment investment net income recognized	336	336
Current year endowment investment net income recognized	257	178
Current year preservation of capital	(257)	(178)
Current year endowment investment net income deferred	3	3
Accumulated remeasurement gains	141	215
Endowment cash and investments (at fair value)	\$ 8,770	\$ 8,553

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

9. Endowment (continued)

b) Endowment net assets

Endowment contributions totaling \$34 (2018 – \$45) were received by the Museum during the fiscal year. In addition, \$257 was recorded as a direct increase to the endowment for the preservation of capital (2018 – \$178).

Endowment net assets generated net realized investment income of \$257 (2018 – \$178). At March 31, 2019, the endowment had \$141 of unrealized gains (2018 – \$215 of unrealized gains).

At March 31, the endowment component of net assets consists of the following cumulative contributions:

		2019		2018
Contributions received from Pier 21 Foundation	\$	4,874	\$	4,874
Other contributions received for endowment		2,396		2,362
Capital preservation		1,020		763
Endowment net assets, end of year	\$	8,290	\$	7,999

10. Internally restricted net assets

Internally restricted net assets represent investment income earned on the general endowment that was unspent. The Museum restricts, as approved by the Board of Trustees, amounts to be spent at a later date or for the preservation of capital. In 2019, \$257 was restricted for the preservation of capital on endowment (2018 – \$178). The amounts are 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, 2019
(in thousands of dollars)

11. Appropriations

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

	2019	2018
Parliamentary appropriations provided		
Main estimates	\$ 8,215	\$ 7,820
Supplementary estimates	26	143
Previous year's appropriations used in the current year	99	34
Appropriations deferred for future capital projects	(217)	(99)
Appropriations used to purchase amortizable capital assets	(302)	(55)
	7,821	7,843
Amortization of deferred contributions related to capital assets	2,161	2,216
Appropriations recognized as revenue	\$ 9,982	\$ 10,059

12. 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. At March 31, 2019, the estimated obligations are as follows:

2020	\$ 1,532
2021	1,578
2022	1,611
2023	1,611
2024	1,611
2025 to 2051	50,163
	\$ 58,106

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

13. 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 1.01 times the employee's contribution (2018 – 1.01); 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 (2018 – 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 3.79 times the employees' contributions (2018 – 3.20 times). Total employer contributions of \$465 (2018 – \$465) 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.

14. Related party transactions

In addition to the related party transactions disclosed elsewhere in these financial statements, the Museum incurred expenses totaling \$1,797 (2018 – \$1,780) 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, 2019
(in thousands of dollars)

15. 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.

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

	Level 1	Level 2	Level 3	2019
Financial assets:				
Endowment cash and investments				
Cash and money market funds	\$ 109	\$ 28	\$ –	\$ 137
Investment funds - Fixed income	4,683	74	–	4,757
Investment funds - Global equity	94	346	–	440
Investment funds - Alternatives	237	3,199	–	3,436
	\$ 5,123	\$ 3,647	\$ –	\$ 8,770

	Level 1	Level 2	Level 3	2018
Financial assets:				
Endowment cash and investments				
Cash and money market funds	\$ 39	\$ –	\$ –	\$ 39
Investment funds - Fixed income	4,510	87	–	4,597
Investment funds - Global equity	96	344	–	440
Investment funds - Alternatives	222	3,255	–	3,477
	\$ 4,867	\$ 3,686	\$ –	\$ 8,553

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

15. Financial instruments (continued)

a) Fair value measurement hierarchy (continued)

Cash and money market funds have a maximum term to maturity of three months and are redeemable on demand without prior notice or penalty.

Fixed income, equity and alternative investments are primarily held through pooled and mutual funds. Investments in the fixed income pooled funds are comprised of a mix of bonds, mortgages, emerging debt and other fixed income instruments. Fair value of the fixed income portfolio investments is measured using the fair market value plus any accrued interest and is based on the net asset value as reported by the administrators of the pooled funds.

Global equity assets include long-only equity securities that trade across a range of global exchanges. Fair value of the global equity portfolio investments is measured using the fair market value of the securities and is based on the net asset value as reported by the administrators of the pooled funds.

Alternative assets provide a lower overall volatility and correlation to traditional equity indices and their objective is to generate positive returns regardless of market conditions. The alternative portfolio includes long-short strategies, low-volatility fixed income strategies, and global market neutral equity strategies with minimal net equity market exposure. Fair value for Level 1 alternative portfolio investments that trade with sufficient frequency and volume to be considered traded in an active market are recorded at the unadjusted net asset value as reported by the external administrators or managers of the funds. Alternative portfolio investments that do not trade in an active market are classified as Level 2 investments and are recorded at the unadjusted net asset value as reported by the external administrators or managers of the funds. The Museum currently holds no Level 3 alternative portfolio investments.

During the years ended March 31, 2019 and 2018, 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).

The long-term goal of the Museum's investment policy for the endowment fund is to produce long-term real returns to supplement the costs of programming, education and other such areas, while permanently maintaining the endowment principal.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

15. Financial instruments (continued)

b) Risk management (continued)

In order to manage risk, the Museum invests in a diversified portfolio that is managed by professional investment managers. The Museum's investments are guided by an investment policy which is approved by the Board of Trustees and reviewed on an annual basis. The Museum is assisted in the oversight and management of its portfolio by an Investment Committee that includes independent experts with experience in the investment field. In addition, the Museum uses the services of an independent investment advisor to assist the Investment Committee in its work. As the investment markets continue to evolve, the Investment Committee recommends adjustments to the asset mix to meet the overall acceptable risk of the portfolio and sets target allocations allowing asset class allocations to vary within a specified range. At March 31, 2019 and 2018, the target allocations were 60% fixed income, 10% in global equity and 30% alternative assets.

There has been no change in the exposures, objectives, policies and processes for managing risk and the methods used to measure risk from the previous year.

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 has determined that its credit risk is not significant.

i) Cash

Cash, other than cash and money market funds held in the endowment funds, is held in a Canadian chartered bank. The Museum minimizes its credit risk on cash by dealing only with reputable and high quality financial institutions.

ii) 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 money market funds, fixed income instruments, global equity and alternative assets through pooled funds and mutual funds.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

15. Financial instruments (continued)

b) Risk management (continued)

(1) Credit risk (continued)

ii) Endowment cash and investments (continued)

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. Their 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.

iii) Accounts receivable

The Museum is exposed to credit risk from customers in the amount of \$311 (2018 – \$208) 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, 2019, \$6 accounts receivable were past due (over 30 days) (2018 – \$3) of which \$1 (2018 – \$2) were fully 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 \$1,368 (2018 – \$1,271) of underlying investments in fixed income and alternatives classifications containing unhedged foreign currency exposure. The foreign currency risk has been determined to be low to moderate as they represent 16% (2018 – 15%) of the portfolio.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

15. Financial instruments (continued)

b) Risk management (continued)

(2) Market risk (continued)

i) Foreign currency risk (continued)

In addition, the funds denominated in Canadian dollars with foreign currency exposure normally enter into forward currency transactions or similar vehicles to insulate the funds from significant price changes due to the change in exchange rates. Furthermore, the funds denominated in US dollars have a two business day settlement and can be transitioned back to Canadian dollars denominated funds within that time.

In limited instances, the Museum remits certain payments to suppliers denominated in US dollars. At March 31, 2019 and 2018, the Museum did not have any liabilities in a foreign currency which would be exposed to changes in exchange rates. Fluctuations in the Canadian dollar compared to the US dollar would have an insignificant impact on the Museum's net results of operations.

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 interest earned on the cash balance fluctuates because of changes in the market interest rates. The Museum's cash balance and its endowment investments, which include cash and money market funds and fixed income funds, earn interest at fixed rates or have values dependent on interest rates. The Museum does not directly hold debt instruments at March 31, 2019, but holds fixed income and alternative investments through pooled and mutual funds.

The Museum manages its interest rate risk by maintaining a mix of fixed income investments primarily held through bond funds which meet the investment criteria outlined in the investment policy. The investment advisor and portfolio managers monitor exposures to address interest rate risk. The impact of the fluctuations cannot be easily assessed because the Museum holds the funds and not the underlying assets.

The sensitivity of the cash balance to a 0.25% decrease in the interest rate would be a reduction in interest income of \$12 for the year ended March 31, 2019 (2018 – \$10).

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2019
(in thousands of dollars)

15. 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 \$1,887 in funds with underlying equity investments (2018 – \$1,897). Included in these funds are \$1,446 (2018 – \$1,457) in alternative allocations that have a low correlation to the stock market index and equities in general. In addition, \$359 (2018 - \$431) of the endowment's total investments are allocated to alternative strategies and assets without underlying equity positions such as real estate, infrastructure, insurance and commodity strategies. These alternative allocations serve to reduce the price risk and volatility associated with the other funds and the global markets.

The sensitivity of the endowment investment is calculated using a 5% decrease in the market prices. The sensitivity rate is determined using the standard deviation for the total fund as determined by the investment and portfolio managers. The standard deviation calculation was updated this fiscal year to use a benchmark that more accurately reflects the composition of the investment portfolio. The prior year comparative figure was adjusted to reflect the change in the benchmark. At March 31, 2019, 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 \$190 due to the decrease in the fair value of financial assets (2018 – \$211).

(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 manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Museum's reputation. The Museum has determined that the risk is not significant.

As at March 31, 2019, all accounts payable and accrued liabilities of the Museum were due within three months.

16. Comparative figures

Certain comparative figures have been reclassified to conform with the presentation adopted in the current period.

CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2019

Schedule 1 – Operating Revenue

(in thousands of dollars)

	2019	2018
Exhibition hall ticket sales	\$ 699	\$ 564
Hall rental	584	463
Gift shop	320	333
Special events	261	392
Family history centre	104	110
Programming	71	79
	\$ 2,039	\$ 1,941

Schedule 2 – Expenses

(in thousands of dollars)

	2019	2018
Personnel costs	\$ 5,907	\$ 5,630
Amortization of capital assets	2,254	2,309
Rent and related costs	1,622	1,621
Exhibition and programming	603	517
Repairs and maintenance and building operation	414	398
Marketing, promotion and recognition	384	344
Utilities	353	317
Cost of goods sold	290	282
Travel and hospitality *	249	212
Operating supplies and services	247	277
Office supplies and administration	199	269
Payment in lieu of taxes	175	159
Professional and special services	143	256
	\$ 12,840	\$ 12,591

* Includes \$15 of hospitality donated in-kind (2018 – \$22). Offsetting revenues of the same amount were recorded under Donations.