

Financial Statements of

**CANADIAN MUSEUM OF CIVILIZATION**

For the period ended September 30, 2013

Unaudited

## **NARRATIVE DISCUSSION**

Note: These quarterly financial statements must be read in conjunction with the March 31, 2013 audited financial statements of the Canadian Museum of Civilization and with this narrative discussion.

### **OVERVIEW**

The Corporation is committed to sustaining a strong financial and operational foundation for the delivery of quality museum programs and services. Responding to the Strategic Direction of its Board of Trustees, the Corporation builds accountability into its operational planning and reporting. The Corporation has at its core a management culture that fosters excellence and adaptation of best practices for continued improvement. It is accountable to Parliament and Canadians in implementing its mandate.

### **STRATEGIC DIRECTION**

In June 2009, the Corporation's Board of Trustees approved four Strategic Directions that introduced new priorities and broadened the Corporation's scope of activities. These remain relevant and essential in fulfilling the Corporation's national mandate, while also promoting a high standard of museological excellence and innovation. A detailed set of goals and objectives addresses each direction. The Corporation's four Strategic Directions are as follows:

*MUSEOLOGICAL EXCELLENCE AND RELEVANCE:* to broaden its national collections and curatorial research in order to better reflect and present national narratives, symbols and achievements through the social, cultural, human, military and political history dimensions of Canadian life.

*BRINGING THE MUSEUMS TO CANADIANS:* to expand its efforts to become better known, more accessible and increasingly relevant across the country and internationally, through innovative and engaging Museum initiatives and outreach programs.

*FOCUS ON RESULTS:* to continue its disciplined managerial practices, while also being flexible and responsive to changing conditions. Staff will develop tools and procedures to enable more effective reporting on activities and outcomes.

*FUNDING AND FUNDRAISING:* to increase its financial resources through a variety of supplementary funding sources, notably business sponsorships, partnerships and philanthropy solicited in all regions of the country, and through commercial revenues.

### **CHANGE IN ACCOUNTING POLICY**

These financial statements reflect a change in accounting policy for donated artifacts. Donated artifacts are now recognized as donation revenue, at fair market value, with a corresponding collection acquisition expense. The prior comparative amounts have been restated to reflect this change.

In the past, donations of artifacts were not reflected in the financial statements. This treatment was inconsistent with the treatment of in-kind sponsorships, which are recognized at fair market value when received. In addition, although the donation of artifacts does not differ in substance from the donation of cash, which is then used to procure artifacts, both were treated differently in the financial statements. The donation of artifacts did not appear on the statements, while the donation of cash and use of cash to procure artifacts appear as revenue and expenses on the statements.

The impact of this change in accounting policy is discussed in notes 2 and 6 of the financial statements.

## **STATEMENT OF OPERATIONS**

Net results of operations at September 30, 2013 were slightly lower than prior year at \$300 thousand, compared to \$707 thousand in prior year.

Parliamentary appropriations at September 30, 2013 were \$33.3 million, compared to \$35.4 million in prior year. The decrease in appropriations was mainly due to the expiration of Budget 2008 funding in 2012-13.

Overall revenues from operations were slightly higher than prior year at \$8.4 million (\$8.2 million – September 30, 2012). Attendance at both museums was lower than prior year and budget at September 30, 2013, however revenues generated from admissions and programmes were in line with prior year due to increases in admissions fees. Facility rentals and concessions increased \$451 thousand compared to prior year due to the receipt of the final payment from the prior food service provider at the end of their contract and an increase in facility rentals and related revenues.

Operating expenses were lower than prior year at \$44.2 million (\$46.0 million 2012-2013). The decrease in expenses is mainly due to:

- A decrease in information systems consulting costs; and
- Lower collection acquisitions.

The Corporation continues to review its expenses to identify opportunities to reduce its costs through contract re-negotiations and implementation of efficiencies. However, certain costs outside the control of the organization, such as the Payment in Lieu of Taxes (property taxes) and other fixed costs continue to grow.

## **STATEMENT OF FINANCIAL POSITION**

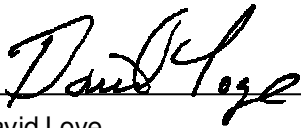
As at September 30, 2013, the Corporation's investments include Master Asset Vehicle (MAV) notes. The fair values of the MAVII notes are based on the Corporation's assessment of market conditions. At March 31, 2013, the MAVII notes were recorded at their estimated fair value. The Corporation has maintained this valuation at September 30, 2013.

The National Collection Fund represents funds for the acquisition of artifacts by the Canadian Museum of Civilization and the Canadian War Museum. At September 30, 2013 the balance of the National Collection Fund stands at \$9.1 million.

## STATEMENT OF MANAGEMENT RESPONSIBILITY BY SENIOR OFFICIALS

Management is responsible for the preparation and fair presentation of these quarterly financial statements in accordance with the Treasury Board of Canada Standard on Quarterly Financial Reports for Crown Corporations and for such internal controls as management determines is necessary to enable the preparation of quarterly financial statements that are free from material misstatement. Management is also responsible for ensuring all other information in this quarterly financial report is consistent, where appropriate, with the quarterly financial statements.

Based on our knowledge, these unaudited quarterly financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the corporation, as at the date of and for the periods presented in the quarterly financial statements.



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David Loye  
Chief Operating Officer



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Linda Hurdle  
Chief Financial Officer

**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

## Statement of Financial Position

As at  
(In thousands of dollars)

Page 1

	September 30, 2013	March 31, 2013
<b>Assets</b>		
Current assets:		
Cash	\$ 3,045	\$ 12,396
Investments	3,261	3,097
Accounts receivable	1,044	3,235
Inventories	982	890
Prepaid expenses	613	384
	<u>8,945</u>	<u>20,002</u>
Restricted cash	1,936	1,721
Restricted cash and investments - National Collection Fund	9,056	8,971
Investments	37,956	36,079
Collection	1	1
Capital assets	255,569	260,715
	<u>\$ 313,463</u>	<u>\$ 327,489</u>
<b>Liabilities and Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 12,474	\$ 18,673
Deferred contributions and deferred revenue (note 3)	3,607	3,750
Current portion of employee future benefits	2,362	2,668
	<u>18,443</u>	<u>25,091</u>
Deferred contributions - National Collection Fund (note 4)	9,056	8,971
Deferred contributions related to capital assets (note 5)	217,929	225,101
Employee future benefits	5,553	5,373
	<u>250,981</u>	<u>264,536</u>
Net assets:		
Unrestricted	19,719	19,419
Investment in capital assets	40,868	40,868
Accumulated remeasurement gains	1,895	2,666
	<u>62,482</u>	<u>62,953</u>
	<u>\$ 313,463</u>	<u>\$ 327,489</u>

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

**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

## Statement of Operations

For the three and six-month periods ended September 30, 2013

Page 2

(In thousands of dollars)

	Three month period ended September 30		Six month period ended September 30	
	2013	2012	2013	2012
<b>Revenues:</b>				
Donations and sponsorships (note 2, 6)	\$ 2,117	\$ 1,998	\$ 2,283	\$ 2,339
Interest	343	348	673	690
Gain (loss) on investments	(44)	101	(145)	101
Operating (schedule 1)	4,477	4,741	8,401	8,226
	6,893	7,188	11,212	11,356
<b>Expenses (schedule 2):</b>				
Collect and research	\$ 4,716	\$ 5,653	\$ 7,365	\$ 9,172
Exhibit, educate and communicate	4,136	4,086	8,329	8,469
Accommodation	10,463	10,200	20,485	20,038
Corporate management	4,177	4,285	8,024	8,333
	23,492	24,224	44,203	46,012
Net result of operations before government funding	(16,599)	(17,036)	(32,991)	(34,656)
Parliamentary appropriations (note 7)	18,343	19,050	33,291	35,363
Net result of operations	\$ 1,744	\$ 2,014	\$ 300	\$ 707

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

**CANADIAN MUSEUM OF CIVILIZATION**  
Statement of Remeasurement Gains and Losses

(Unaudited)

For the period ended September 30, 2013  
(In thousands of dollars)

Page 3

	<u>September 30</u> <u>2013</u>	<u>September 30</u> <u>2012</u>
Accumulated remeasurement gains, beginning of year	\$ 2,666	\$ 1,575
Unrealized gains (losses) attributed to:		
Short-term bonds	(19)	(45)
Long-term bonds	(884)	181
Amounts reclassified to the Statement of Operations:		
Short-term bonds	132	-
Net change in accumulated remeasurement gains (losses) for the period	(771)	136
Accumulated remeasurement gains, end of period	\$ 1,895	\$ 1,711

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

**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

## Statement of Changes in Net Assets

For the period ended September 30, 2013

Page 4

(In thousands of dollars)

	Unrestricted	Investment in capital assets	Accumulated remeasurement gains (losses)	September 30 2013	September 30 2012
Net assets, beginning of year	\$ 19,419	\$ 40,868	\$ 2,666	\$ 62,953	\$ 64,868
Net result of operations	300	-	-	300	707
Net change in accumulated remeasurement gains (losses)	-	-	(771)	(771)	136
Net assets, end of period	\$ 19,719	\$ 40,868	\$ 1,895	\$ 62,482	\$ 65,711

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



**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

## Statement of Cash Flows

For the three and six-month periods ended September 30, 2013

Page 5

(In thousands of dollars)

	Three month period ended September 30		Six month period ended September 30	
	2013	2012	2013	2012
Operating activities:				
Cash receipts (clients)	\$ 4,652	\$ 5,318	\$ 8,790	\$ 9,365
Cash receipts (parliamentary appropriations)	18,339	19,576	34,697	37,437
Cash paid (employees and suppliers)	(25,846)	(25,489)	(48,765)	(47,630)
Interest received	343	348	673	690
Net cash through operating activities	(2,512)	(247)	(4,605)	(138)
Investing activities:				
(Increase) decrease in long-term investments	62	166	(2,812)	205
(Increase) in restricted cash and investments	(162)	(568)	(300)	(1,262)
Net cash through investing activities	(100)	(402)	(3,112)	(1,057)
Capital activities:				
Acquisition of capital assets	(687)	(1,008)	(2,183)	(1,719)
Financing activities:				
Parliamentary appropriations for the acquisition of capital assets	115	391	157	617
Restricted contributions and related investment income	172	64	392	326
Net cash through financing activities	287	455	549	943
Decrease in cash	(3,012)	(1,202)	(9,351)	(1,971)
Cash, beginning of period	6,057	8,754	12,396	9,523
Cash, end of period	\$ 3,045	\$ 7,552	\$ 3,045	\$ 7,552

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

# CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 6

(Unaudited)

For period ended September 30, 2013  
(In thousands of dollars)

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## 1. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian public sector accounting standards. The Corporation has elected to apply the Section 4200 series for government-not-for-profit organizations, and the deferral method of accounting for contributions. Significant accounting policies are as follows.

### (a) Financial assets and financial liabilities:

Cash, restricted cash and investments in bonds are classified in the fair value category and investments in Master Asset Vehicle notes are designated in the fair value category. The unrealized gains or losses arising from changes in the fair value of investments in bonds and in Master Asset Vehicle notes are recognized through the Statement of Remeasurement Gains and Losses at each period end. Unrealized gains or losses arising from changes in the fair value of investments with restricted cash are reflected in the value of restricted cash.

Fair value is determined for Master Asset Vehicles using a discounted cash flow, using market assumptions. All other financial assets in the fair value category are marked-to-market by reference to their quoted bid price. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are expensed.

Accounts receivable: After the initial fair value measurement, they are measured at amortized cost using the effective interest rate method through the Statement of Operations.

Accounts payable and accrued liabilities: After their initial fair value measurement, they are measured at amortized cost using the effective interest rate method through the Statement of Operations. For the Corporation, the initial measured amount approximates the fair value for all short-term accounts payable due to their short-term nature.

### (b) Cash:

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

### (c) Inventories:

Inventories, which consist of materials for the boutiques and publications, are valued at the lower of cost and net realizable value.

### (d) Collection:

The artifact collection forms the largest part of the assets of the Corporation and is presented in the Statement of Financial Position at a nominal value of \$1, due to the practical difficulties of determining a meaningful value for these assets.

Objects purchased for the collection of the Corporation are recorded as an expense in the period of acquisition.

# CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 7

(Unaudited)

For period ended September 30, 2013  
(In thousands of dollars)

## 1. Significant accounting policies (continued):

### (e) Capital assets:

Capital assets owned by the Corporation are recorded at cost, net of accumulated amortization. Buildings owned by the Government of Canada, which are under the administrative control of the Corporation, are recorded at their estimated historical cost, less accumulated amortization. Lands owned by the Government of Canada, which are under the administrative control of the Corporation, are recorded at their estimated historical cost with a corresponding amount credited directly to the net assets of the Corporation.

Amortization is calculated using the straight-line method, over the estimated useful lives of assets as follows:

Asset	Useful life
Buildings	40 years
Building improvements	10 years
Technical and informatics equipment	5 and 8 years
Office furniture and equipment	8 years
Motor vehicles	5 years

The Corporation's film investment in the production of an IMAX/OMNIMAX film is initially recognized as a capital asset, and will be expensed over the period of the initial film run.

### (f) Foreign currency translation:

Transactions involving foreign currencies are translated into Canadian dollar equivalents using rates in effect at the time of those transactions. Monetary assets and liabilities denominated in foreign currencies are translated using rates at period end. Realized gains and losses resulting from foreign currency translation are reported on the Statement of Operations.

### (g) Employee future benefits:

#### (i) Pension benefits:

All eligible employees of the Corporation 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 Corporation to cover current service cost. Pursuant to legislation currently in place, the Corporation 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 period when employees have rendered service and represent the total pension obligation of the Corporation.

# CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 8

(Unaudited)

For period ended September 30, 2013  
(In thousands of dollars)

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## 1. Significant accounting policies (continued):

### (g) Employee future benefits (continued):

#### (ii) Other post retirement benefits:

The Corporation provides unfunded defined benefit health and dental care plans for eligible retirees and employees. The cost of the accrued benefit obligations earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of salary escalation, discount rate, retirement ages and expected health care and dental costs.

Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these post retirement benefits which is 11.9 years.

#### (iii) Sick leave benefits:

The Corporation provides sick leave benefits for employees that accumulate but do not vest. The Corporation recognizes a liability and an expense for sick leave in the period in which employees render services in return for the benefits. The liability and expense is developed using an actuarial cost method. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these sick leave benefits which is 11.9 years.

#### (iv) Severance benefits:

The Corporation has modified severance benefits for all its employees. Following this modification, employees had the choice to receive their earned severance benefit immediately, defer the payment until retirement or a combination of the two options, based on their continuous years of service with the Corporation. Management determined the accrued benefit obligation using a projected benefit method based upon assumptions and best estimates relating to factors such as discount rate, inflation, anticipated turnover and employment retirement, and mortality rates. These benefits represent an obligation of the Corporation that entails settlement by future payments. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these severance benefits which is 11.9 years.

### (h) Revenue recognition:

#### (i) Museum operations:

Revenues from Museum operations include the sale of general admissions and programmes, IMAX, facility rentals, food concessions, parking, boutique sales, publications and royalties from boutique product reproduction and film distribution. They are recognized in the period in which the sale of goods is completed or the services are provided.

# CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 9

(Unaudited)

For period ended September 30, 2013  
(In thousands of dollars)

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## 1. Significant accounting policies (continued):

### (h) Revenue recognition (continued):

#### (ii) Memberships:

Revenue from the sale of memberships is recognized over the length of the membership eligibility period.

#### (iii) Travelling exhibits:

Revenue from the rental of travelling exhibits is recognized over the length of the exhibition period for each venue.

#### (iv) Interest on cash and investments:

Interest on cash and investments is recognized in the period it is earned.

#### (v) Cash sponsorships:

Unrestricted cash sponsorships are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted cash sponsorships are deferred and recognized as revenue in the period in which the related obligations are fulfilled.

#### (vi) Cash donations:

Cash 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.

Contributions which are explicitly or implicitly restricted for the purchase of depreciable capital assets are deferred and recognized as revenue on the same basis and over the same periods as the related capital assets acquired.

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 expenses are recognized. Restricted investment income is recognized as income in the Statement of Operations in the period that the related expenses are recognized.

#### (vii) In-kind sponsorships and artifact donations

Revenues and offsetting expenses from goods and services received in-kind are recorded at fair market value upon receipt. Artifact donations are recorded as revenue at fair market value in the period when the last of three specific criteria are met i) the artifact donation has been

# CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 10

(Unaudited)

For period ended September 30, 2013  
(In thousands of dollars)

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## 1. Significant accounting policies (continued):

### (h) Revenue recognition (continued):

#### (vii) In-kind sponsorships and artifact donations (continued):

approved by the Corporation's Collections Acquisition Committee ii) legal transfer has taken place between the donor and the Corporation and iii) a fair market value has been assigned to the artifact donation. The recording of artifact donations results in an offsetting expense to collection acquisitions.

#### (viii) Parliamentary appropriations:

The Government of Canada provides contribution funding to the Corporation through Parliamentary appropriations.

Parliamentary appropriations which are explicitly or implicitly restricted for the purchase of capital assets subject to amortization are deferred and recognized as revenue on the same basis and over the same periods as the related capital assets acquired.

Parliamentary appropriations restricted for specific projects 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. Parliamentary 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.

#### (ix) Other revenues:

Other revenues mainly consist of library and photographic reproduction services, conservation services, special event production coordination services and gain on disposal of assets. They are recognized in the period in which the sale of goods is completed or the services are provided.

#### (x) Volunteer services:

Volunteers contribute a significant number of hours of service per year. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

#### (i) Contingencies:

In the normal course of its operations, the Corporation becomes involved in various claims or legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, a liability will be accrued and an expense recorded in the Corporation's financial statements.

# CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 11

(Unaudited)

For period ended September 30, 2013  
(In thousands of dollars)

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## 1. Significant accounting policies (continued):

(j) Measurement uncertainty:

The preparation of financial statements in accordance with Canadian public sector accounting standards applicable for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the period. Employee future benefits, contingent liabilities, valuation of Master Asset Vehicle notes, and the estimated useful lives of capital assets are the most significant items where estimates are used. Actual results could differ significantly from those estimated.

## 2. Change in Accounting Policy:

In 2012-13, the Corporation made an accounting policy change with respect to the recording of artifact donations. Artifact donations are now recorded as revenue at fair market value in the period when the last of three specific criteria are met i) the artifact donation has been approved by the Corporation's Collections Acquisition Committee ii) legal transfer has taken place between the donor and the Corporation and iii) a fair market value has been assigned to the artifact donation. The recording of artifact donations results in an offsetting expense to collection acquisitions.

In the past, the accounting policy for the acquisition of artifacts provided different treatments depending on whether the artifacts were acquired through purchases or donations, with purchased artifacts reflected on the Statement of Operations as an expense in the year of acquisition. If the purchase of the artifact is funded by a trust or the National Collection Fund (NCF), the corresponding revenue is also recognized at the time of the acquisition. The policy for in-kind sponsorships is that revenues and offsetting expenses are recorded at fair market value upon receipt.

The reason for this accounting policy change is to provide greater consistency with the approach currently used to recognize in-kind sponsorships and provide the readers of the statements a more complete understanding of the Corporation's activities related to its collections and fundraising.

The impact of this accounting policy change on the comparative figures is as follows:

### Summary of adjustments:

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#### Statement of Operations

Net result of operations for the period ended September 30, 2012:

Period gain, as previously reported	\$	707
Adjustment to donations and sponsorships revenue		1,593
Adjustment to Collect and research expenses		(1,593)

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Net result of operations, as currently reported	\$	707
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**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

Notes to the Financial Statements, page 12

For the period ended September 30, 2013

(In thousands of dollars)

Note 3 - Deferred contributions and deferred revenues:

Deferred contributions and deferred revenues are as follows:

	September 30	March 31
	2013	2013
Deferred contributions from non-government sources	\$ 1,936	\$ 1,721
Deferred Parliamentary appropriations	955	1,181
Total deferred contributions	2,891	2,902
Deferred revenues - goods and services	716	848
Balance, end of period	\$ 3,607	\$ 3,750

Changes in the deferred contributions balance during the period were as follows:

	September 30	March 31
	2013	2013
Balance, beginning of year	\$ 2,902	\$ 1,591
Additions:		
Restricted contributions received from non-government sources	231	661
Restricted Parliamentary appropriations received	-	984
Deferred investment income	6	10
	237	1,655
Deductions:		
Amounts transferred to the National Collection Fund (note 4)	-	(113)
Amounts recognized as revenue	(248)	(231)
	(248)	(344)
Balance, end of period	\$ 2,891	\$ 2,902



**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

Notes to the Financial Statements, page 13

For the period ended September 30, 2013  
(In thousands of dollars)

Note 4 - Deferred contributions - National Collection Fund:

Deferred contributions for the National Collection Fund consist of the following:

	September 30	March 31
	2013	2013
Deferred Parliamentary appropriations	\$ 7,257	\$ 7,225
Contributions from non-government entities	1,799	1,746
<b>Balance, end of period</b>	<b>\$ 9,056</b>	<b>\$ 8,971</b>

Changes in the deferred contributions were as follows:

	September 30	March 31
	2013	2013
Balance, beginning of year	\$ 8,971	\$ 7,903
<b>Additions:</b>		
Parliamentary appropriations restricted for the National Collection Fund	-	2,000
Contributions from non-government entities received in the period	47	77
Deferred realized investment income	108	201
Unrealized gain (loss) on investments	(70)	2
Amounts transferred from deferred contributions (note 3)	-	113
	85	2,393
<b>Deductions:</b>		
Amounts recognized as revenue	-	(1,325)
<b>Balance, end of period</b>	<b>\$ 9,056</b>	<b>\$ 8,971</b>

**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

Notes to the Financial Statements, page 14

For the period ended September 30, 2013  
(In thousands of dollars)

Note 5 - Deferred contributions related to capital assets:

Deferred contributions related to capital assets is composed of:

	September 30	March 31
	2013	2013
Used for acquisitions:		
Deferred capital contributions from non-government entities	\$ 2,070	\$ 2,105
Deferred capital funding through Parliamentary appropriations	212,429	217,540
	214,499	219,645
To be used for future acquisitions:		
Deferred capital funding through Parliamentary appropriations	3,430	5,456
Balance, end of period	\$ 217,929	\$ 225,101

Changes in the deferred contributions related to capital assets balance during the period is composed of:

	September 30	March 31
	2013	2013
Balance, beginning of year	\$ 225,101	\$ 233,986
Add:		
Capital asset acquisitions	2,183	6,213
Funded by prior year Parliamentary appropriations	(2,026)	(3,126)
Funded by current Parliamentary appropriations	157	3,087
Parliamentary appropriations deferred for capital asset acquisitions in future periods	-	2,924
Parliamentary appropriations received	157	6,011
Less amounts recognized as revenue:		
Deferred capital contributions	(36)	(148)
Parliamentary appropriations	(7,293)	(14,748)
Balance, end of period	\$ 217,929	\$ 225,101

**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

Notes to the Financial Statements, page 15

For the period ended September 30, 2013  
(In thousands of dollars)

Note 6 - Donations and sponsorships:

Donations and sponsorships revenue is composed of:

	September 30	September 30
	2013	2012
Cash donations and sponsorships	\$ 199	\$ 746
In-kind sponsorships and artifact donations	2,084	1,593
Balance, end of period	\$ 2,283	\$ 2,339

**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

Notes to the Financial Statements, page 16

For the period ended September 30, 2013

(In thousands of dollars)

Note 7 - Parliamentary appropriations:

Parliamentary appropriations recognized as revenue:

	September 30	September 30
	2013	2012
Main Estimates amount provided for operating and capital projects	\$ 57,419	\$ 62,454
Parliamentary appropriations receivable at period end	(31,489)	(32,832)
Parliamentary appropriations received in the current period	25,930	29,622
Deferred Parliamentary appropriations, beginning of year	6,636	5,922
Parliamentary appropriations available for use	32,566	35,544
Portion of amount deferred for specific projects and acquisitions	(4,385)	(4,820)
Amounts used to purchase capital assets	(2,183)	(1,719)
Amortization of deferred capital funding	7,293	7,358
Amount restricted for the National Collection Fund	-	(1,000)
Parliamentary appropriations recognized as revenue	\$ 33,291	\$ 35,363

Reconciliation of deferred parliamentary appropriations:

	September 30	September 30
	2013	2012
Deferred Parliamentary appropriations, beginning of year	\$ 6,636	\$ 5,922
Deferred Parliamentary appropriations used in the current period	(2,251)	(1,102)
Deferred Parliamentary appropriations, end of period	\$ 4,385	\$ 4,820

## **CANADIAN MUSEUM OF CIVILIZATION**

Notes to the Financial Statements, page 17

(Unaudited)

For period ended September 30, 2013

(In thousands of dollars)

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### **8. Comparative figures:**

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

**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

## Schedule 1 - Operating Revenues

For the three and six-month periods ended September 30, 2013

Page 18

(In thousands of dollars)

	Three month period ended September 30		Six month period ended September 30	
	2013	2012	2013	2012
General admission and programmes	\$ 1,826	\$ 1,875	\$ 3,298	\$ 3,283
Facility rental, events and concessions	926	832	1,890	1,439
Boutique sales	659	672	1,200	1,203
Parking	546	588	964	970
Imax	311	553	669	943
Memberships	63	62	127	125
Travelling exhibits	67	55	103	98
Publications	16	11	28	26
Other	63	93	122	139
	<u>\$ 4,477</u>	<u>\$ 4,741</u>	<u>\$ 8,401</u>	<u>\$ 8,226</u>

**CANADIAN MUSEUM OF CIVILIZATION**

(Unaudited)

## Schedule 2 - Expenses

For the three and six-month periods ended September 30, 2013

Page 19

(In thousands of dollars)

	Three month period ended September 30		Six month period ended September 30	
	2013	2012	2013	2012
Personnel costs	\$ 8,244	\$ 7,962	\$ 16,834	\$ 16,979
Amortization of capital assets	3,659	3,718	7,329	7,434
Property taxes	2,500	2,417	4,923	4,834
Building operations	1,771	1,860	3,435	3,414
Collection acquisitions	2,248	3,177	2,397	3,585
Professional and special services	1,206	924	1,735	1,449
Utilities	703	670	1,403	1,388
Repairs and maintenance	649	689	1,336	1,263
IT infrastructure and systems	630	609	1,086	1,226
Exhibit fabrication and rental	473	512	1,052	1,390
Marketing and advertising	413	485	828	804
Cost of goods sold	294	487	585	680
Travel and hospitality	165	167	367	419
Materials and supplies	236	197	341	461
Royalties	84	173	152	281
Other	217	177	400	405
	<u>\$ 23,492</u>	<u>\$ 24,224</u>	<u>\$ 44,203</u>	<u>\$ 46,012</u>