

Financial Statements of

CANADIAN MUSEUM OF CIVILIZATION

For the period ended September 30, 2012

Unaudited

NARRATIVE DISCUSSION

Note: These quarterly financial statements must be read in conjunction with the March 31, 2012 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.

STATEMENT OF OPERATIONS

Net results of operations at September 30, 2012 were \$707 thousand, compared to \$5.2 million in prior year. The decrease in net results of operations is mainly due to the fact that results at September 30, 2011 included 7 months of appropriations, compared to the 6 months of appropriations included in the results as at September 30, 2012; and the acquisition of the Empress of Ireland collection.

Overall revenues from operations were slightly higher than prior year at \$8.2 million (\$7.9 million – September 30, 2011). Attendance at both museums was in line with prior year and budget at September 30, 2012, generating revenues of \$3.2million (\$3.2 million – September 30, 2011).

IMAX revenues in the second quarter exceeded prior year and budget and have brought year to date revenue numbers in line with prior year.

Operating expenses were higher than prior year at \$44.4 million (\$42.8 million 2011-12) and lower than budget. The increase in expenses is mainly due to higher collection acquisitions, including the Empress of Ireland (\$1.75 million). 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.

The 2012-13 appropriations include special funding from Budget 2008. The current fiscal year is the fifth and final year the organization will be receiving this funding, which mainly provides capital funding for required repairs as the buildings age.

STATEMENT OF FINANCIAL POSITION

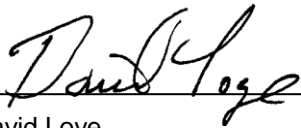
As at September 30, 2012, the Corporation's investments include Master Asset Vehicle (MAV) notes. The fair values of the MAVII notes are based on the Corporation's assessment of market conditions. At March 31, 2012, the MAVII notes were recorded at their estimated fair value. The Corporation has maintained this valuation at September 30, 2012.

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, 2012 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.



David Loye
Chief Operating Officer



Linda Hurdle
Chief Financial Officer

CANADIAN MUSEUM OF CIVILIZATION

(Unaudited)

Statement of Financial Position

As at
(In thousands of dollars)

Page 1

	September 30, 2012	March 31, 2012
Assets		
Current assets:		
Cash	\$ 7,552	\$ 9,523
Investments	3,145	3,124
Accounts receivable	1,091	2,680
Inventories	909	934
Prepaid expenses	341	794
	<u>13,038</u>	<u>17,055</u>
Restricted cash	1,359	1,327
Restricted cash and investments - National Collection Fund	9,134	7,903
Investments	35,200	35,290
Collection	1	1
Capital assets	263,683	269,777
	<u>\$ 322,415</u>	<u>\$ 331,353</u>
Liabilities and Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 10,182	\$ 14,136
Deferred contributions and deferred revenue (note 2)	2,345	2,472
	<u>12,527</u>	<u>16,608</u>
Deferred contributions - National Collection Fund (note 3)	9,134	7,903
Deferred contributions related to capital assets (note 4)	227,169	233,986
Employee future benefits	7,874	7,988
	<u>256,704</u>	<u>266,485</u>
Net assets:		
Unrestricted	22,754	22,047
Investment in capital assets	41,246	41,246
Accumulated remeasurement gains	1,711	1,575
	<u>65,711</u>	<u>64,868</u>
	<u>\$ 322,415</u>	<u>\$ 331,353</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, 2012
(In thousands of dollars)

Page 2

	Three month period ended September 30		Six month period ended September 30	
	2012	2011	2012	2011
Revenues:				
Donations and sponsorships	\$ 617	\$ 173	\$ 746	\$ 295
Interest	348	270	690	542
Gain on investments	101	-	101	-
Operating (schedule 1)	4,741	4,355	8,226	7,905
	5,807	4,798	9,763	8,742
Expenses (schedule 2):				
Collect and research	\$ 4,272	\$ 3,114	\$ 7,579	\$ 6,179
Exhibit, educate and communicate	4,086	4,014	8,469	8,456
Accommodation	10,200	10,216	20,038	19,779
Corporate management	4,285	4,258	8,333	8,349
	22,843	21,602	44,419	42,763
Net result of operations before government funding	(17,036)	(16,804)	(34,656)	(34,021)
Parliamentary appropriations (note 5)	19,050	23,610	35,363	39,228
Net result of operations	\$ 2,014	\$ 6,806	\$ 707	\$ 5,207

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, 2012
(In thousands of dollars)

Page 3

	September 30 2012	September 30 2011
Accumulated remeasurement gains (losses), beginning of year	\$ 1,575	\$ -
Unrealized gains (losses) attributed to:		
Short-term bonds	(45)	-
Long-term bonds	181	1,535
Accumulated remeasurement gains, end of period	\$ 1,711	\$ 1,535

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, 2012

Page 4

(In thousands of dollars)

	Unrestricted	Investment in capital assets	Accumulated remeasurement gains	September 30 2012	September 30 2011
Net assets, beginning of year	\$ 22,047	\$ 41,246	\$ 1,575	\$ 64,868	\$ 65,350
Net result of operations	707	-	-	707	5,207
Remeasurement gains	-	-	136	136	1,535
Net assets, end of period	\$ 22,754	\$ 41,246	\$ 1,711	\$ 65,711	\$ 72,092

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, 2012

Page 5

(In thousands of dollars)

	Three month period ended September 30		Six month period ended September 30	
	2012	2011	2012	2011
Operating activities:				
Cash receipts (clients)	\$ 5,318	\$ 4,932	\$ 9,365	\$ 8,831
Cash receipts (parliamentary appropriations)	19,576	24,254	37,437	40,552
Cash paid (employees and suppliers)	(25,489)	(25,545)	(47,630)	(48,125)
Interest received	348	270	690	542
Net cash through operating activities	(247)	3,911	(138)	1,800
Investing activities:				
Decrease in long-term investments	166	89	205	176
Increase in restricted cash and investments	(568)	(747)	(1,262)	(1,450)
Net cash through investing activities	(402)	(658)	(1,057)	(1,274)
Capital activities:				
Acquisition of capital assets	(1,008)	(1,712)	(1,719)	(3,068)
Financing activities:				
Parliamentary appropriations for the acquisition of capital assets	391	627	617	1,262
Restricted contributions and related investment income	64	136	326	250
Net cash through financing activities	455	763	943	1,512
Increase (decrease) in cash	(1,202)	2,304	(1,971)	(1,030)
Cash, beginning of period	8,754	9,151	9,523	12,485
Cash, end of period	\$ 7,552	\$ 11,455	\$ 7,552	\$ 11,455

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, 2012
(In thousands of dollars)

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 and in Master Asset Vehicle notes are classified in the fair value category. The unrealized gains or losses arising from changes in the fair value of these financial assets are recognized through the Statement of Remeasurement Gains and Losses at each period end.

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 are classified as "Loans and Receivables". 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 are classified as "Other Financial 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.

CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 7

(Unaudited)

For period ended September 30, 2012
(In thousands of dollars)

1. Significant accounting policies (continued):

(d) Collection (continued):

Objects purchased for the collection of the Corporation are recorded as an expense in the period of acquisition. Objects donated to the Corporation are recorded, as assets, at a nominal value.

(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

(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

CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 8

(Unaudited)

For period ended September 30, 2012
(In thousands of dollars)

1. Significant accounting policies (continued):

(g) Employee future benefits (continued):

(i) Pension benefits (continued):

recognized as an expense in the period when employees have rendered service and represent the total pension obligation of the Corporation.

(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:

Unionized employees are entitled to severance benefits, as provided for under labour contracts and conditions of employment. The cost of these benefits is accrued as the employees render the services necessary to earn them. 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.

CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 9

(Unaudited)

For period ended September 30, 2012
(In thousands of dollars)

1. Significant accounting policies (continued):

(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.

(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) Sponsorships:

Unrestricted 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 sponsorships are deferred and recognized as revenue in the period in which the related obligations are fulfilled. Revenues and offsetting expenses from goods and services received in-kind are recorded at fair market value upon receipt.

(vi) 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.

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.

CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 10

(Unaudited)

For period ended September 30, 2012
(In thousands of dollars)

1. Significant accounting policies (continued):

(h) Revenue recognition (continued):

(vi) Donations (continued):

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) 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.

(viii) 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.

(ix) 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.

CANADIAN MUSEUM OF CIVILIZATION

Notes to the Financial Statements, page 11

(Unaudited)

For period ended September 30, 2012
(In thousands of dollars)

1. Significant accounting policies (continued):

(i) 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-related liabilities, 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.

CANADIAN MUSEUM OF CIVILIZATION

(Unaudited)

Notes to the Financial Statements, page 12

For the period ended September 30, 2012

(In thousands of dollars)

Note 2 - Deferred contributions and deferred revenues:

Deferred contributions and deferred revenues are as follows:

	September 30	March 31
	2012	2012
Deferred contributions from non-government sources	\$ 1,359	\$ 1,327
Deferred Parliamentary appropriations	264	264
Total deferred contributions	1,623	1,591
Deferred revenues - goods and services	722	881
Balance, end of period	\$ 2,345	\$ 2,472

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

	September 30	March 31
	2012	2012
Balance, beginning of year	\$ 1,591	\$ 2,222
Additions:		
Restricted contributions received from non-government sources	179	456
Restricted Parliamentary appropriations received	-	90
Deferred investment income	4	7
	183	553
Deductions:		
Amounts transferred to the National Collection Fund (note 3)	(113)	-
Amounts recognized as revenue	(38)	(1,184)
	(151)	(1,184)
Balance, end of period	\$ 1,623	\$ 1,591

CANADIAN MUSEUM OF CIVILIZATION

(Unaudited)

Notes to the Financial Statements, page 13

For the period ended September 30, 2012
(In thousands of dollars)

Note 3 - Deferred contributions - National Collection Fund:

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

	September 30	March 31
	2012	2012
Deferred Parliamentary appropriations	\$ 7,445	\$ 6,358
Contributions from non-government entities	1,689	1,545
Balance, end of period	\$ 9,134	\$ 7,903

Changes in the deferred contributions were as follows:

	September 30	March 31
	2012	2012
Balance, beginning of year	\$ 7,903	\$ 5,396
Additions:		
Parliamentary appropriations restricted for the National Collection Fund	1,000	2,000
Contributions from non-government entities received in the year	25	255
Deferred realized investment income	92	141
Unrealized gain on investments	1	149
Amounts transferred from deferred contributions (note 2)	113	-
	1,231	2,545
Deductions:		
Amounts recognized as revenue	-	(38)
Balance, end of period	\$ 9,134	\$ 7,903

CANADIAN MUSEUM OF CIVILIZATION

(Unaudited)

Notes to the Financial Statements, page 14

For the period ended September 30, 2012
(In thousands of dollars)

Note 4 - Deferred contributions related to capital assets:

Deferred contributions related to capital assets is composed of:

	September 30 2012	March 31 2012
Used for acquisitions:		
Deferred capital contributions from non-government entities	\$ 2,177	\$ 2,253
Deferred capital funding through Parliamentary appropriations	220,436	226,075
	<u>222,613</u>	<u>228,328</u>
To be used for future acquisitions:		
Deferred capital funding through Parliamentary appropriations	4,556	5,658
Balance, end of period	<u>\$ 227,169</u>	<u>\$ 233,986</u>
Changes in the deferred contributions related to capital assets balance during the period is composed of:		
	September 30 2012	March 31 2012
Balance, beginning of year	\$ 233,986	\$ 241,297
Add:		
Capital asset acquisitions	1,719	7,868
Capital asset disposals	-	(38)
Funded by prior year Parliamentary appropriations	(1,102)	(4,418)
Funded by current Parliamentary appropriations	617	3,412
Parliamentary appropriations deferred for capital asset acquisitions in future periods	-	4,085
Parliamentary appropriations received	617	7,497
Less amounts recognized as revenue:		
Deferred capital contributions	(76)	(148)
Parliamentary appropriations	(7,358)	(14,660)
Balance, end of period	<u>\$ 227,169</u>	<u>\$ 233,986</u>

CANADIAN MUSEUM OF CIVILIZATION

(Unaudited)

Notes to the Financial Statements, page 15

For the period ended September 30, 2012
(In thousands of dollars)

Note 5 - Parliamentary appropriations:

Parliamentary appropriations recognized as revenue:

	September 30 2012	September 30 2011
Main Estimates amount provided for operating and capital projects	\$ 62,454	\$ 63,379
Supplementary estimates and transfers	-	665
	62,454	64,044
Parliamentary appropriations receivable at period end	(32,832)	(30,183)
Parliamentary appropriations received in the current period	29,622	33,861
Deferred Parliamentary appropriations, beginning of year	5,922	7,125
Parliamentary appropriations available for use	35,544	40,986
Portion of amount deferred for specific projects and acquisitions	(4,820)	(5,012)
Amounts used to purchase capital assets	(1,719)	(3,068)
Amortization of deferred capital funding	7,358	7,322
Amount restricted for the National Collection Fund	(1,000)	(1,000)
Parliamentary appropriations recognized as revenue	\$ 35,363	\$ 39,228

Reconciliation of deferred parliamentary appropriations:

	September 30 2012	September 30 2011
Deferred Parliamentary appropriations, beginning of year	\$ 5,922	\$ 7,125
Deferred Parliamentary appropriations used in the current period	(1,102)	(2,113)
Deferred Parliamentary appropriations, end of period	\$ 4,820	\$ 5,012

CANADIAN MUSEUM OF CIVILIZATION

(Unaudited)

Schedule 1 - Operating Revenues

For the three and six-month periods ended September 30, 2012

Page 16

(In thousands of dollars)

	Three month period ended September 30		Six month period ended September 30	
	2012	2011	2012	2011
General admission and programmes	\$ 1,845	\$ 1,814	\$ 3,231	\$ 3,172
Facility rental and concessions	704	630	1,280	1,161
Boutique sales	672	628	1,203	1,123
Parking	588	589	970	960
Imax	553	428	943	914
Memberships	62	62	125	120
Travelling exhibits	55	(2)	98	73
Publications	11	21	26	50
Other	251	185	350	332
	<u>\$ 4,741</u>	<u>\$ 4,355</u>	<u>\$ 8,226</u>	<u>\$ 7,905</u>

CANADIAN MUSEUM OF CIVILIZATION

(Unaudited)

Schedule 2 - Expenses

For the three and six-month periods ended September 30, 2012
(In thousands of dollars)

Page 17

	Three month period ended September 30		Six month period ended September 30	
	2012	2011	2012	2011
Personnel costs	\$ 7,964	\$ 8,608	\$ 16,982	\$ 17,367
Amortization of capital assets	3,718	3,706	7,434	7,398
Professional and special services	3,381	3,134	6,151	6,159
Property taxes	2,417	2,251	4,834	4,554
Collection acquisitions	1,796	188	1,992	230
Utilities	670	804	1,388	1,544
Repairs and maintenance	678	1,038	1,189	1,337
Exhibit fabrication and rental	268	95	867	549
Communications	430	419	828	1,043
Materials and supplies	352	364	710	672
Cost of goods sold	487	291	680	521
Marketing and advertising	292	317	535	563
Travel	135	123	347	332
Royalties	173	105	281	221
Other	82	159	201	273
	<u>\$ 22,843</u>	<u>\$ 21,602</u>	<u>\$ 44,419</u>	<u>\$ 42,763</u>