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# ANNUAL REPORT 2015-2016

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# THE YEAR AT A GLANCE

## CANADIAN HISTORY HALL ①

Development of the **Canadian History Hall** reached a major milestone with completion of the construction of the physical gallery space and the unveiling of the narrative concept. The exhibition will present Canada's history from the dawn of human habitation until the present day, through diverse stories and perspectives of individuals – some famous, but many not. Construction of the Hall's physical space, as designed by **lead architect Douglas Cardinal**, was completed ahead of schedule and on budget. Museum staff and two expert advisory committees are now finalizing content details and creating text panels and interactive experiences in advance of the Hall's official opening on July 1, 2017.

## EXHIBITIONS ②

**Canada's Titanic – The Empress of Ireland** was awarded the Prix d'Excellence – Groupe institutionnel 1 by the Société des musées du Québec. The exhibition sheds light on Canada's

greatest maritime disaster, which occurred in May 1914. Attracting over 150,000 visitors during its four-month run at the Museum, and half a million during its tour to date, **The Greeks – Agamemnon to Alexander the Great** became one of the Museum's most successful recent exhibitions. It was produced by the Canadian Museum of History in partnership with three other leading North American museums and Greece's Hellenic Ministry of Culture and Sports. Other successes this year included **Vikings**, which dispelled the one-dimensional myth of Vikings as bearded barbarians, and **Terry Fox – Running to the Heart of Canada**, a moving exploration of the legacy of the Canadian hero's Marathon of Hope.

At the Canadian War Museum, **World War Women** highlighted the crucial contributions of Canadian women during the First and Second World Wars. **Fighting in Flanders – Gas. Mud. Memory.** explored how Canadian soldiers adapted to the formidable challenges

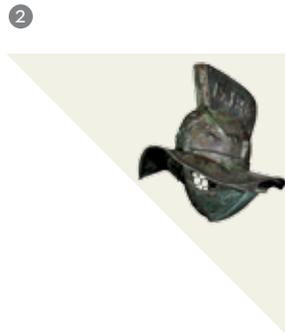
of the First World War battlefield in Belgium. **Gladiators and the Colosseum – Death and Glory** captivated 90,000 visitors with its examination of the true identities of these mythic figures from ancient Rome.

## PARTNERSHIPS

The Canadian Museum of History has signed a Memorandum of Understanding with the **Association of Canadian Studies** that gives the Museum access to the Association's network of specialists, its archive and its research and poll results, while serving both organizations' common goal of advancing the understanding of Canadian history. The Canadian War Museum partnered with the **City of Ottawa** to hold a special candlelight tribute ceremony to mark the start of Veteran's Week (November 5 to 11).

## WAR MUSEUM'S 10TH ANNIVERSARY ③

On May 9, 2015, large crowds converged on the War Museum to celebrate its 10th anniversary on LeBreton Flats.



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The **Netherlands Youth Orchestra** entertained visitors, a ceremonial cake cutting took place and cupcakes were distributed to well-wishers. Among the most popular activities were vintage vehicle and machine demonstrations, and spotlight tours of selected artifacts guided by Museum historians and collections specialists. In its first decade, the new War Museum has welcomed **more than 5 million visitors**.

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#### RESEARCH

At the War Museum, historian Dr. Laura Brandon, who retired early in 2015, was recently made a member of the **Order of Canada**. The Governor-General's office cited "her contributions to uncovering and preserving Canadian war art, and for bringing it to the attention of national and international audiences." At the Museum of History, ongoing research includes that of Dr. Olivier Côté, on the social and cultural impacts of television on Canadians between 1950 and 1960, and of Dr. Leslie Tepper, who is working with Northwest Coast Aboriginal weavers

and the U'Mista Cultural Centre to study and exhibit women's traditional woven cedar bark material culture.

#### CONSERVATION ④

The War Museum has meticulously restored a hand-painted theatre curtain that was commissioned in 1920 to commemorate **Penhold, Alberta** residents who had served in the First World War. Now part of the War Museum's National Collection, the curtain returned to Penhold in 2015 for a six-month stay. At the Museum of History, the **new sixth-floor storage vault** now holds the Nettie Covey Sharpe Collection and the Harbinson Collection, combining in one accessible space over 4,000 objects of Canadian furniture and Quebec folk art.

#### ACQUISITIONS ⑤ ⑥

The Museum of History acquired an outstanding collection of **150 waterfowl decoys** donated by collector Dr. Jim Stewart. Carved mainly in Ontario's Prince Edward County and the Thousand Islands region, they are both functional hunting tools and beautiful works of art, recognized for their

national significance. The War Museum acquired a **gold locket presented to Georgina Pope**, known as "Prince Edward Island's Florence Nightingale," in recognition of her work as a nurse in the South African War, where she helped care for 230 victims of typhoid fever.

#### GOVERNANCE

Following the sudden passing of former Chairman of the Board of Trustees, Lieutenant-General Bill Leach on April 1, 2015, **Dr. James D. Fleck, C.C.** was appointed Interim Chair. Dr. Fleck is an entrepreneur, academic and leading cultural philanthropist. His many honours include the Order of Canada, the Queen Elizabeth II Diamond Jubilee Medal, the Edmund C. Bovey Award for Leadership Support of the Arts, the Ramon John Hnatyshyn Award for Voluntarism in the Performing Arts and the International Society for the Performing Arts' Angel Award.

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# MESSAGE FROM THE INTERIM CHAIR



In these pages, you will read about the accomplishments of the Canadian Museum of History and the Canadian War Museum. Captivating exhibitions, strong attendance figures, fruitful partnerships, rapid progress towards completion of the **Canadian History Hall**: taken individually, these are all laudable successes that give us cause to celebrate a great year and equal cause to look to the future with optimism. But they are also part of a larger story. They are indications of how the Museums are fulfilling their mandate.

Those goals are spelled out in our Strategic Directions, which were approved by the Board of Trustees in June 2014, under the leadership of the Board's former chair, the late Bill Leach. These directions, which will continue to guide the Museums' work through 2020, form the foundation of all our planning, are reflected in our activities throughout the year and function as benchmarks against which to measure our performance, as is done in this Annual Report.

The Board defined these directions at a special session in April 2014. First, it met with senior management

and a wide cross-section of staff, who weighed in on operational implications. Extensive public feedback – attained through ongoing visitor research and consultation with over 24,000 Canadians during the initial planning for the **Canadian History Hall** – was also a key part of the input Board members received.

Following this, the Board arrived at the following set of five directions:

1. Establish the Museum as a hub of Canadian history for Canada and the world.
2. Connect Canadians to their history and reflect this personal connection in all aspects of the Museum experience.
3. Develop a collection that better reflects Canada's history and distinctiveness.
4. Engage dynamic partnerships and networks across Canada and internationally for mutual benefit.
5. Ensure the Museum has the financial resources to carry out its mandate.

Next, it was management's turn. They honed a set of three high-level priorities for each direction, to serve as practical steps towards realizing the Board's larger goals. Those priorities and the Strategic Directions, in turn, find tangible expression in the work undertaken by our two Museums.

For example, efforts to improve and increase the use of social media and virtual exhibitions, and to host more exhibitions from regional museums, are all means of reaching out to – or bringing in – people from diverse communities across Canada. This helps us to “connect Canadians to their history and reflect this personal connection in all aspects of the Museum experience” – the second direction in the list above.

Another Strategic Direction is to work through partnerships and networks. A typical benefit of this approach is that it brings to our Museums not only first-class Canadian exhibitions but also outstanding international work.

Engaging in partnerships bore fruit at our Annual Public Meeting, which this year took place in Winnipeg. The meeting was a resounding success for both the Museums and for the people of Manitoba. We brought to Winnipeg 10 national treasures from our collections – including the Last Spike and the uniform worn by one of Canada's most decorated soldiers, Manitoba-born Victoria Cross recipient William Barker – to be exhibited at The Manitoba Museum, an active member in the History Museums Network. The exhibition lasted all summer and was met with large crowds and great enthusiasm.

At this point, I would like to mention how fortunate we are – as we strive to reach some ambitious goals – to have the leadership and vision of our President and Chief Executive Officer, Mark O'Neill. It has been under Mark's watch that attendance numbers have recently increased and exhibitions have won widespread praise, even as we experience the inevitable disruption resulting from the ongoing development of the **Canadian History Hall**.

"Captivating exhibitions, strong attendance figures and fruitful partnerships – these successes give us cause to celebrate a great year and to look to the future with optimism."

It's also telling that the War Museum, which celebrated its 10th anniversary this past year, experienced its early growth and first established its reputation for excellence with Mark O'Neill as its Director General. A hallmark of Mark's approach, in both venues, has been his commitment to challenging content – to a “warts and all” view of Canadian history that embraces both triumphant and dark moments in our national story.

I would also like to note our Museums' continuing fundraising efforts, which complement our core government funding. We now have close to 4,000 monthly or annual donors, to whom I extend a heartfelt “thank you.” The Museums wouldn't be a success without our donors, supporters and visitors. I urge you to stay onboard as we head towards the challenges and rewards of another year.

**Dr. James D. Fleck, C.C.**

# MESSAGE FROM THE PRESIDENT AND CEO



This has been a monumental year for both the Canadian Museum of History and the Canadian War Museum. As we count down to the opening of the **Canadian History Hall** on July 1, 2017, our ongoing work continues to attract an impressive number of visitors. On the strength of exhibitions that are as dynamic as they are important, the two Museums welcomed a total of 1.7 million visitors in 2015-2016. As well, our online audience has also grown tremendously, with totals of 165,000 Twitter followers, 45,000 Facebook fans and 14 million webpage views for both Museums. All of this is a testament to the special place that our Museums hold in the national consciousness, and to the dedication, imagination and expertise of all the people who work to make the Museums a success.

This year brought the opportunity to reflect, in particular, on the achievements of the Canadian War Museum, which celebrated its 10th anniversary at its current home on LeBreton Flats. Over the past decade, the War Museum has consolidated its position as the foremost military museum in Canada, and earned a place among the premiere military museums in the world.

This year's attendance of over 500,000 – part of a cumulative total of more than 5 million over the past decade – far exceeds the expectations we had when the Museum first opened its doors in 2005.

War Museum exhibitions **Fighting in Flanders - Gas. Mud. Memory.** and **World War Women** were stand-outs in a special year when Canadians paused to consider how the First and Second World Wars helped shape our country. The War Museum also brought that question into schools through its **Supply Line** project, which allows students to handle wartime artifacts to gain a tangible sense of life on the front lines or the home front. The Museum also partnered with other major military museums globally. These partnerships will continue to grow in the future.

At the Museum of History, work has proceeded on creating the **Canadian History Hall**, and construction of the Hall's physical structure is now complete. This milestone was reached ahead of schedule and on budget, enabling Museum staff to move on to preparing the exhibition that visitors will encounter when the Hall opens on July 1, 2017. Museum staff, working in close consultation with two

"In developing the new **Canadian History Hall**, we aim to create an exhibition that tells the stories of our country, what it is and how it got that way, from the multiple perspectives of the diverse people who lived those stories."

expert advisory committees – a general committee and an Aboriginal committee – have reviewed and refined the exhibition content. As this report was being prepared, they had moved on to the detailed work of writing and revising the exhibition text panels.

From the outset, public engagement has been fundamental to the creation of the **Canadian History Hall**. The guiding principles underlying the project were first informed by a series of cross-Canada open meetings and online consultations. Following this, staff initiated an exceptionally broad range of consultations to ensure that the Hall's content is presented in the most fair and accurate way possible. They sought input and advice from First Nations, Inuit and Métis communities and organizations, ethno-cultural communities and other stakeholders. This process will help us reach our objective of creating an exhibition that tells the stories of our country, what it is and how it got that way, from the multiple perspectives of the diverse people who lived those stories.

Elsewhere in the two Museums, we are building on past successes. The Canadian Children's Museum continues to enchant children and their families through special exhibitions such as **Thomas and Friends™ - Explore the Rails**, and to stimulate young minds in their appreciation of arts, culture and history. Our growing collaboration with Canadian and international museums, partly through the History Museums Network, enables us to tour exhibitions such as **Terry Fox - Running to the Heart of Canada** and **Fighting in Flanders**. While bringing the best international exhibitions to Canada, such as **The Greeks - Agamemnon to Alexander the Great** and **Gladiators and the Colosseum - Death and Glory**, we also take Canada to the world. This year **Haida - Life. Spirit. Art.** enjoyed a very successful residence in Greece.

All in all, it has been a wonderful year for both Museums, and I would like to thank our dedicated and talented staff and volunteers for making these successes possible.

**Mark O'Neill**

# THE CORPORATION

The Canadian Museum of History is a federal Crown corporation that is responsible for two national museums: the Canadian Museum of History and the Canadian War Museum. Together, the Museums showcase Canada's national treasures and present exhibitions that preserve the memories and experiences of Canadians by exploring the events, people, themes and special objects that have helped shape the country, from earliest times to the present day.

## THE CANADIAN MUSEUM OF HISTORY

Located on the shores of the Ottawa River in Gatineau, Quebec, the Canadian Museum of History welcomes over 1 million visitors each year. The Museum's principal role is to enhance Canadians' knowledge, understanding and appreciation of the events, experiences, people and objects that have shaped Canada's history and identity, as well as to foster appreciation of world history and culture. The Museum safeguards a collection of close to 4 million artifacts and specimens, including some of Canada's most valued national treasures. It is also home to the Canadian Children's Museum and the new CINÉ+ movie theatre.





- MUSEUM OF HISTORY -

## THE CANADIAN WAR MUSEUM

The Canadian War Museum is Canada's national museum of military history. Its mission is to promote public understanding of Canada's military history in its personal, national and international dimensions. In particular, it is renowned for its exploration of the human dimension of war, and the profound effect of armed conflict on combatants and civilians alike. Home to an outstanding collection of artifacts and attracting almost 500,000 visitors annually, the Museum occupies one of Canada's most striking and iconic buildings. In addition, it houses a world-class art collection comprising over 13,000 works, including paintings by some of Canada's most celebrated artists. As a national centre for remembrance, education and historical research, the Museum is also a venue and facilitator for the informed discussion of military affairs – past, present and future.



## THE VIRTUAL MUSEUM OF NEW FRANCE

The Virtual Museum of New France is an innovative online project that explores the history, culture and living legacy of early French settlements in North America, profiling an area stretching from Acadia through the Great Lakes and the Ohio Valley to Louisiana. Its examination of the history of New France focuses on themes that include economic activity, population and facets of daily life such as food, entertainment, health and medicine.

## THE VIRTUAL MUSEUM OF CANADA

As an endless source of discoveries, the Virtual Museum of Canada is a unique interactive space that brings together Canadian museum collections and riches in a variety of thought-provoking and instructive content. At [virtualmuseum.ca](http://virtualmuseum.ca), you will find virtual exhibits, teaching resources and other projects. The Museum is proud to have been entrusted with this invaluable resource for the sharing and preservation of information for all Canadians, and will continue to work with contributing institutions across the country to build on existing partnerships and create new ones.



- WAR MUSEUM -

# THE YEAR IN REVIEW: ACHIEVEMENTS

In April 2014, the Board of Trustees developed new Strategic Directions to guide the corporation's activities and programs. These Strategic Directions are better aligned with the new mandate of the Canadian Museum of History.

A Performance Measurement Framework was also devised to plan and measure the success of the corporation, in a manner that reflects the mandate and Strategic Directions. The Strategic Directions are central to the new Framework, and will serve as the basis for the 2016-2017 Corporate Plan and beyond, as well as for reporting purposes going forward.

The Board's New Strategic Directions are as follows:

1. Establish the Museum as a hub of Canadian history for Canada and the world.
2. Connect Canadians to their history and reflect this personal connection in all aspects of the Museum experience.
3. Develop a collection that better reflects Canada's history and distinctiveness.
4. Engage dynamic partnerships and networks across Canada and internationally for mutual benefit.
5. Ensure the Museum has the financial resources to carry out its Mandate.

# Establish the Museum as a hub of Canadian history for Canada and the world

## PRIORITIES

- Complete and launch the new **Canadian History Hall** on July 1, 2017 as a Canada 150 legacy project.
- Present exhibitions and public programs to commemorate the First World War Centenary.
- Successfully integrate the Virtual Museum of Canada as a key Museum educational tool.

## SUMMARY OF PERFORMANCE

The corporation met the four established objectives in relation to this Strategic Direction through on-site attendance, paid attendance, follow-up actions on audit recommendations and key research projects. These initiatives have enabled the Museums to expand their efforts to become better known and more accessible and to increase their relevance both nationally and internationally.



## RESULTS BY PERFORMANCE MEASUREMENT INDICATOR

### LEGEND

▲ Results within 10% of target or surpassing target

● Results within 10-24% of target

▼ Results 25% or more off target

## CANADIAN HISTORY HALL

Construction of the physical space for the **Canadian History Hall** was completed this year. Under the direction of **lead architect Douglas Cardinal**, this milestone was reached ahead of schedule and on budget. The 43,000 square foot exhibition space, comprising three main galleries around a central hub, evokes a sense of Canada's immense scale and iconic landscape through its incorporation of long sightlines and open spaces.

Museum staff are now focused on finalizing the exhibition content, working in close collaboration with two expert advisory committees: a general committee and an Aboriginal committee. Those committees' work represents just one aspect of an exceptionally broad process of public consultation that was designed to ensure that the **Canadian History Hall** is inclusive, comprehensive and representative of Canada's diversity. When it **opens on July 1, 2017**, this signature gallery will be the largest-ever exhibition space dedicated entirely to telling the stories of Canada and Canadians.



**TERRY FOX - RUNNING TO THE HEART OF CANADA**

In the summer of 1980, a young man with an artificial leg and a courageous heart galvanized the nation behind his dream: to find a cure for cancer. Artifacts, photographs, interviews, press clippings and journal entries allowed visitors the opportunity to retrace Terry's 143-day, 5,300 kilometre journey from St. John's, Newfoundland, to Thunder Bay, Ontario.

Developed in partnership with the Terry Fox Centre, this unique exhibition marked the 35th anniversary of his cross-Canada Marathon of Hope. After a very successful presentation at the Canadian Museum of History where it welcomed more than **215,000 visitors** before closing in January 2016, **the exhibition is now travelling across Canada**. Confirmed venues include THEMUSEUM in Kitchener (from April 8 to June 16, 2016), the Manitoba Museum in Winnipeg (from July 14 to October 10, 2016) and the Royal BC Museum in Victoria (from April to October 2017). As well, a smaller version of the exhibition

has already been presented in Thunder Bay and Edmonton, and will continue to tour until 2018 in at least eight different venues across Ontario and Western Canada.



**PAID ATTENDANCE (IN 000'S)**

**RESULT**



762

**TARGET**

650

2014-2015  
**RESULT**

665

**ANALYSIS**

As results were in line with the target, no action was required.



**1867 – REBELLION AND CONFEDERATION**

Featuring 200 historical artifacts from the Museum of History’s own collection and from other institutions in Canada, Britain and the United States, **1867 – Rebellion and Confederation** drew **150,000 visitors** during its run from November 27, 2014 to January 4, 2016.

In the exhibition, Canadian Confederation is understood as the culmination of a 30-year period of violence, negotiation and, finally, compromise. The story begins in 1837, as Queen Victoria ascended the throne to face a wave of pro-democracy and anti-colonial sentiment, which was expressed in Canada through the failed rebellions of Louis-Joseph Papineau and William Lyon Mackenzie in 1837-1838. These events were followed by the establishment of responsible government in 1848, ongoing violent clashes between reformers and loyalists, and a series of political and constitutional conferences, all leading to the passing of the *British North America Act* in 1867.

After its successful stay at the Museum of History, **1867 – Rebellion and Confederation** has become a travelling exhibition, available to museums across the country.



**SPECIAL EXHIBITIONS**

*Canadian Museum of History*

<b>Canada’s Titanic – The Empress of Ireland</b>	*Attendance
May 30, 2014 to April 6, 2015	265,830
<b>1867 – Rebellion and Confederation</b>	
November 28, 2014 to January 3, 2016	149,276
<b>Terry Fox – Running to the Heart of Canada</b>	
April 1, 2015 to January 3, 2016	213,443
<b>The Greeks – Agamemnon to Alexander the Great</b>	
June 4 to October 12, 2015	151,576
<b>Magna Carta – Law, Liberty and Legacy</b>	
June 12 to July 26, 2015	23,258
<b>Vikings</b>	
December 2, 2015 to April 17, 2016	105,304
<b>Thomas and Friends™ – Explore the Rails</b>	
January 29 to May 1, 2016	64,309
<b>Horse Power – The Paul Bienvenu Carriage Collection</b>	
March 24, 2016 to April 17, 2017	5,316

\* Total attendance as of March 31, 2016.

## ON-SITE ATTENDANCE (IN 000'S)

RESULT



1,690

TARGET

1,525

2014-2015  
RESULT

1,467

## ANALYSIS

As results were in line with the target,  
no action was required.



## FIGHTING IN FLANDERS - GAS. MUD. MEMORY.

From the opening movements of the First World War, most of Belgium was occupied by German forces.

**Fighting in Flanders - Gas. Mud. Memory.** explored how Canadians in Belgium had to adapt to the significant challenges from the first use of poison gas in the Second Battle of Ypres to the hellish mud of Passchendaele. The exhibition was developed by the War Museum through a partnership with the Memorial Museum Passchendaele 1917, Belgium, and benefited from the generous support of the E. W. Bickle Foundation and VISITFLANDERS, the exhibition's National Presenting Sponsor.

The exhibition highlighted the famous poem *In Flanders Fields* by John McCrae and examined how Canadian and Belgian collective memories have evolved over the last 100 years. **Fighting in Flanders** closed at the War Museum on April 26, 2015, and is now travelling across Canada. Versions of the exhibition have appeared or are soon to appear at the Guelph Civic Museum in Guelph, Ontario, the New Iceland Heritage Museum in Gimli, Manitoba, the Lake of the Woods Museum in Kenora, Ontario, the Museum Windsor in Windsor, Ontario, The Fort Museum in Fort Macleod, Alberta and the Musée Royal 22<sup>e</sup> Régiment in Québec City.



**SPECIAL EXHIBITIONS**

*Canadian War Museum*

	* Attendance
<b>Fighting in Flanders - Gas. Mud. Memory.</b> November 6, 2014 to April 26, 2015	52,425
<b>Gladiators and the Colosseum - Death and Glory</b> June 13 to September 7, 2015	89,964
<b>World War Women</b> October 22, 2015 to April 3, 2016	49,576

\* Total attendance as of March 31, 2016.



**WORLD WAR WOMEN**

The First and Second World Wars brought enormous changes to Canadian women’s lives. They adapted to the conditions of total war in practical terms – working, volunteering and serving in uniform. In the wake of war’s inevitable tragedies, they also faced other challenges. The contributions made by women to the Canadian war efforts were crucial, and their experiences forged a new understanding of women’s capabilities both within themselves and within society.

Drawing a total of **50,000 visitors** to the War Museum during its five-month run, **World War Women** was both a popular and critical success. Through artifacts, images, audiovisual material, oral history and text, the exhibition explored a number of personal stories, painting a picture of how women’s lives and social roles were transformed in wartime.

**NUMBER OF FOLLOW-UP ACTIONS ON AUDIT RECOMMENDATIONS THAT HAVE BEEN COMPLETED**

**RESULT**



10

**TARGET**

10

**ANALYSIS**

As results were in line with the target, no action was required.

**RESPONDING TO AUDIT RECOMMENDATIONS**

The corporation maintains an internal audit function that is guided by a three-year risk based audit plan. In addition, the Office of the Auditor General of Canada conducts an Annual Attest Audit of the corporation’s financial statements, as well as a Special Examination of the corporation at least once every 10 years. The most recent Special Examination was completed in 2013.

In 2015–2016, internal auditors began the Audit of Collections Management, which will be completed in 2016–2017. During the 2015–2016 fiscal year, the corporation addressed several audit recommendations, such as the completion of a formal orientation and training program for the Trustees. As audits are completed, the corporation develops strategies to address the recommendations during its planning, monitoring and reporting cycle.





### GALLIPOLI - THREE PERSPECTIVES

The War Museum marked the centenary of one of the grimmest episodes of the First World War, the Battle of Gallipoli, with a photographic exhibition developed by the Museum in partnership with the Australian High Commission, the New Zealand High Commission and the Turkish Embassy. **Gallipoli - Three Perspectives** documents how the punishing terrain, heavy casualties and terrible living conditions took their toll both on Australian and New Zealand troops, and on the Ottoman forces they sought to displace at Gallipoli, which is now part of present-day Turkey. Although no Canadian forces fought at Gallipoli, the exhibition refers to Canadians' role in treating casualties at medical facilities in Greece and Egypt, and the inclusion of infantrymen from Newfoundland (not yet part of Canada) in the British 29th Division.

The exhibition includes works by Australian photographer Charles Ryan, as well as photographs from the New Zealand National Army Museum and the Turkish Military Archives.

### NEW RESEARCH INITIATIVE

Thanks to the support from over 1,500 donors raising over \$120,000, the War Museum was proud to launch a major new research initiative, **Women and Conflict**, dedicated to better understanding the roles and impact of women, both at home and on the world stage, during times of conflict.



**NUMBER OF KEY RESEARCH PROJECTS THAT ARE PROGRESSING AS PLANNED OR COMPLETED**

**RESULT**



32

**TARGET**

33

**ANALYSIS**

As results were in line with the target, no action was required.

# TRAVELLING EXHIBITIONS

THIS PAST YEAR, 16 EXHIBITIONS TRAVELLED TO 29 VENUES. ALL TOLD, THEY WERE SEEN BY 551,646 VISITORS IN COMMUNITIES ACROSS THE COUNTRY, IN THE UNITED STATES (CHICAGO, ILL.) AND IN EUROPE (GREECE).

## PEACE - THE EXHIBITION

1 Canadian Museum for Human Rights, Winnipeg, MB  
September 2014 to November 2015

## VODOU

2 The Field Museum, Chicago, Ill.  
October 2014 to April 2015

## INUIT PRINTS - JAPANESE INSPIRATION

3 Musée des beaux-arts de Sherbrooke, Sherbrooke, QC  
January to April, 2015

## LACE UP! - CANADA'S PASSION FOR SKATING

4 Stratford Perth Museum, Stratford, ON  
January to April, 2015

5 Ville de Joliette, Joliette, QC  
October 2015 to January 2016

## A QUEEN AND HER COUNTRY

6 Surrey Museum, Surrey, BC  
February to May, 2015

7 Lloydminster Cultural & Science Centre, Lloydminster, AB  
July to September, 2015

8 Timmins Museum: National Exhibition Centre, Timmins, ON  
January to March, 2016

## SNOW

9 Pointe-à-Callière, Montréal Museum of Archaeology and History, Montréal, QC  
February 2015 to January 2016

10 Markham Museum, Markham, ON  
January to April, 2016

## 1812 (2-D VERSION)

11 Lloydminster Cultural & Science Centre, Lloydminster, AB  
March to June, 2015

12 Ministry of Forests, McLeod, BC  
July to August, 2015

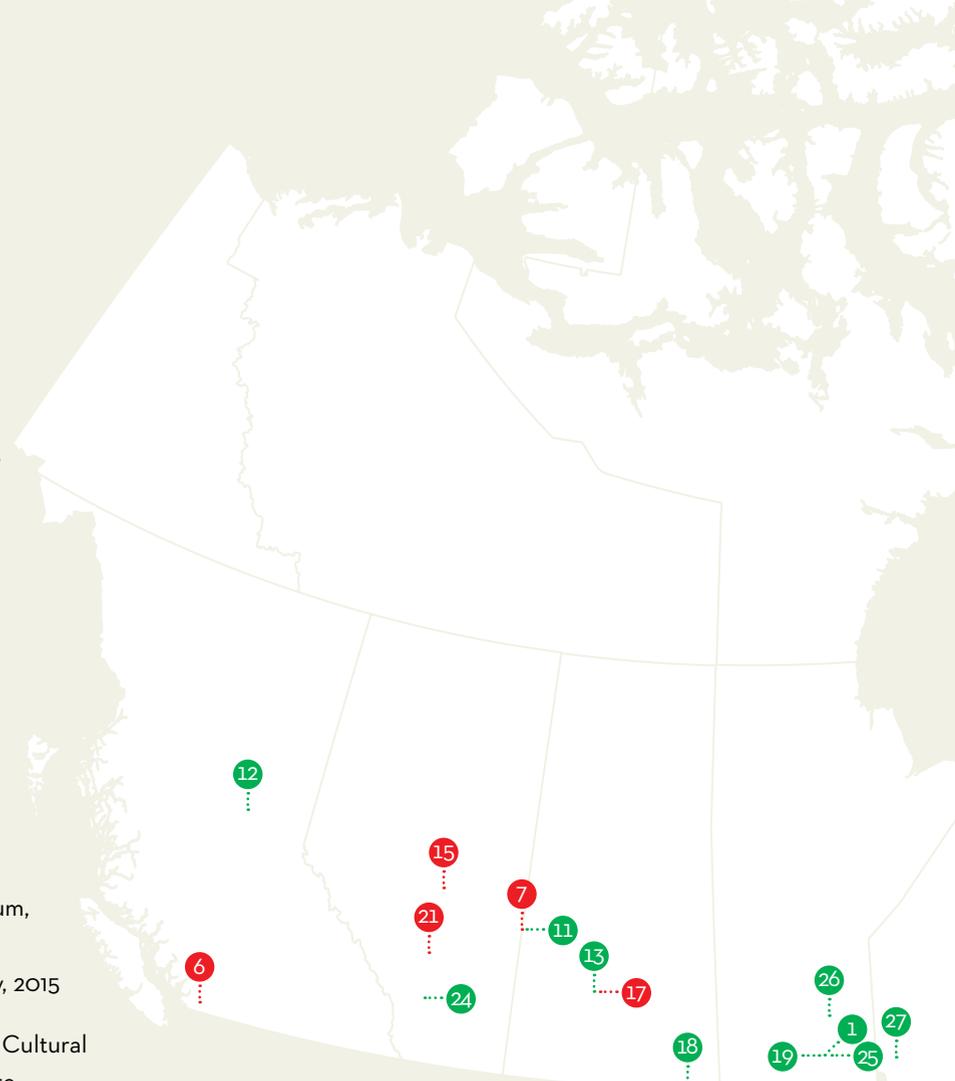
## 1812 (3-D VERSION)

13 Diefenbaker Canada Centre, Saskatoon, SK  
February to June, 2015

## TERRY FOX - RUNNING TO THE HEART OF CANADA (2-D VERSION)

14 Thunder Bay Museum, Thunder Bay, ON  
April to July, 2015

15 Telus World of Science, Edmonton, AB  
August to November, 2015






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LEGEND

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- CANADIAN MUSEUM OF HISTORY
  - CANADIAN WAR MUSEUM
- 

- 16 Glanmore National Historic Site, Belleville, ON  
February to May, 2016
- 17 Diefenbaker Canada Centre, Saskatoon, SK  
February to June, 2016

**LEGION HALLS**

- 18 Estevan Art Gallery & Museum, Estevan, SK  
May to August, 2015
- 19 Canadian Museum for Human Rights, Winnipeg, MB  
September 20, 2014 to November 29, 2015

**ENEMY ALIENS - INTERNMENT IN CANADA, 1914-1920**

- 20 Fort Henry National Historic Site of Canada, Kingston, ON  
May to September, 2015

**KIDS CELEBRATE!**

- 21 Red Deer Museum + Art Gallery, Red Deer, AB  
July to September, 2015

- 22 Musée des religions du monde, Nicolet, QC  
November 2015 to April 2016

**WITNESS - CANADIAN ART OF THE FIRST WORLD WAR**

- 23 The Rooms Provincial Art Gallery, St. John's, NL  
September 2015 to January 2016

**FIGHTING IN FLANDERS - GAS. MUD. MEMORY. (2-D VERSION)**

- 24 The Military Museums, Calgary, AB  
October to November, 2015

- 25 The Legislative Assembly of Manitoba, Winnipeg, MB  
November 2015

- 26 New Iceland Heritage Museum, Gimli, MB  
October to December, 2015

- 27 Lake of the Woods Museum, Kenora, ON  
March to April, 2016

**FIGHTING IN FLANDERS - GAS. MUD. MEMORY. (3-D VERSION)**

- 28 Guelph Civic Museum, Guelph, ON  
August to November, 2015

**HAIDA - LIFE. SPIRIT. ART.**

- 29 Archaeological Museum of Thessaloniki, Greece  
October 2015 to April 2016

# Connect Canadians to their history and reflect this personal connection in all aspects of the Museum experience

## PRIORITIES

- Develop exhibitions on themes of personal relevance to Museum visitors, such as Terry Fox, Newfoundland and the Somme.
- Bring exhibitions to the National Capital from Canadian partner museums that add community perspectives to the national narrative.
- Enhance the use of social media to engage Museum visitors and expand the Museum experience.

## SUMMARY OF PERFORMANCE

The corporation met the two established objectives in relation to this Strategic Direction through special and travelling exhibitions. These initiatives allowed the Museums to broaden their national and international presence and better reflect Canadian narratives, symbols and achievements.

## TRAVELLING EXHIBITIONS

Many exhibitions that have been successfully received at the Museum of History and the War Museum are accessible in other regions of Canada as travelling exhibitions. This past year, for example, museum goers across Canada have had the opportunity to experience the inspiration of Terry Fox's Marathon of Hope through **Terry Fox - Running to the Heart of Canada**. Travelling versions of this exhibition have landed at the Thunder Bay Museum, the Telus World of Science in Edmonton, the Diefenbaker Centre in Saskatoon and the Glanmore National Historic Site in Belleville, with more to come in 2016-2017. Other travelling exhibitions from the Museum of History include **Vodou, A Queen and Her Country, 1867 - Rebellion and Confederation, Voices from the Engraver, Snow and Lace Up! - Canada's Passion for Skating, Haida - Life. Spirit. Art.**, an exhibition that presents the remarkable artistic achievements of the Haida nation of Canada's northwest, was presented this past year in Greece at the Archaeological Museum of Thessaloniki.

The War Museum's highly successful **Fighting in Flanders - Gas. Mud. Memory.** exhibition is also on the road. To date, visitors to the New Iceland Heritage Museum in Gimli, Manitoba and the Guelph Civic Museum in Guelph, Ontario have been able to experience this moving exhibition about the experiences of Canadian soldiers in Belgium during the First World War. Other travelling exhibitions available from the War Museum in 2015-2016 include **Witness - Canadian Art of the First World War, Enemy Aliens - Internment in Canada, 1914-1920, Legion Halls** and **Peace - The Exhibition**, which completed its run with a showing at the Canadian Museum for Human Rights in Winnipeg.



**NUMBER OF NEW OPENINGS FOR TRAVELLING EXHIBITIONS THAT CONNECT CANADIANS TO THEIR HISTORY**

**RESULT**



22

**TARGET**

22

**ANALYSIS**

As results were in line with the target, no action was required.

## VIRTUAL MUSEUM OF CANADA

The Virtual Museum of Canada (VMC) plays a pivotal role in enabling local and regional museums to reach a broader segment of the public through the internet. This year, VMC supported the development of eight Virtual Exhibit projects, including **Fort Odanak, 1704-1759** (fort-odanak.ca), relating the history of a settlement in the St. Lawrence Valley; **Land of Thundering Snow** (landofthunderingsnow.ca), on the history of avalanches; and **Narrative Threads** (narrativethreads.ca), which deals with historical clothing.

As well, and in addition to supporting 18 Community Memories projects, VMC launched a new tool for developing Community Memories, unveiled a new social media plan to increase and diversify the content of social media posts, and delivered two webinars to assist Canadian museums and heritage organizations in developing Community Memories proposals. It also continued to build its network by dispatching summer students and staff to make in-person contact with hundreds of Canadian museums, and by reaching out to Canadian and international digital cultural specialists through informal interviews.



## ENGAGING CANADA'S FIRST PEOPLES

The **RBC Aboriginal Training Program in Museum Practices**, the only program of its kind in Canada, offers professional and technical training in museum practices to First Nations, Métis and Inuit people from across Canada. This was the program's 23rd consecutive year since it was established in response to recommendations in the 1992 *Task Force Report on Museums and First Peoples*. Over that time, more than 90 trainees from over 40 different Aboriginal Nations across Canada have completed the program successfully.

The Museum of History continues to receive valuable guidance from a committee of Indigenous elders, leaders and scholars as it prepares to open the **Canadian History Hall** on July 1, 2017. The **Aboriginal Advisory Committee** has consistently stressed the absolute importance of presenting Indigenous history and Indigenous perspectives in the new Hall. The Museum has listened carefully, and the new Hall will reflect the sage advice of this expert group.



## LOANS

Thanks to a loan from the War Museum, the exhibition **The Gulf War of 1990-1991 - Contribution to Kuwait's Liberation and Recovery** was presented in Kuwait under the patronage of Kuwait's National Council for Culture, Arts and Letters. For this exhibition, the War Museum loaned a number of works by Canadian artist Zuber as well as various photographs depicting the efforts of both Canadian Armed Forces and civilians in supporting Kuwait's liberation and recovery following the 1990 Gulf War. The exhibition's opening was attended by Kuwaiti Sheikh Salman Sabah Al-Salem Al-Hamoud Al-Sabah as well as a number of Canadian Gulf War veterans.

The 290-year-old **Holland clock**, which resides in the National Collection of the Canadian Museum of History, was sent on loan to Prince Edward Island, where the clock's original owner once lived. The astronomical clock, built in England in 1725, belonged to Samuel Holland, Canada's first Surveyor General. Holland used the clock in his work as he travelled to make maps of British North America. The clock had previously been loaned to PEI in 2000 for Summerside, PEI's millennium celebrations. The Holland clock's 2015 trip coincides with the 250th anniversary of Holland's survey of PEI.

## MEDIA HIGHLIGHTS

At the Museum of History, the exhibition **Terry Fox - Running to the Heart of Canada** generated outstanding news coverage that was truly national in scope. The Museum of History's exhibition **The Greeks - Agamemnon to Alexander the Great** also garnered excellent news coverage, both nationally and internationally. A feature article in the *Toronto Star*, for example, described it as a "thrilling, once-in-a-lifetime exhibition" that was "not to be missed."

At the War Museum, the **World War Women** exhibition generated strong positive coverage across the country. Finally, the partnership between the War Museum and the city of Penhold, Alberta, to unveil the recently restored Penhold Curtain, generated news articles in media outlets across the country ranging from community publications to the national chains, allowing us to reach new audiences.



**NUMBER OF SPECIAL EXHIBITIONS THAT ADD COMMUNITY PERSPECTIVE TO THE NATIONAL NARRATIVE**

**RESULT**



**TARGET**

8

8

**ANALYSIS**

As results were in line with the target, no action was required.

## SOCIAL MEDIA

Canadians continue to flock to the Museum's social media channels. In 2015-2016, **Facebook** likes for the Museum of History increased from 9,776 to 17,441 (a 78% increase) in English and from 3,848 to 6,510 (a 69% increase) in French. At the War Museum, Facebook likes increased from 11,838 to 17,853 (a 51% increase) in English and from 1,851 to 2,987 (a 61% increase) in French. Even more significant growth was seen on **Twitter**, where the Museum of History increased its number of English followers from 28,809 to 61,852 (a 115% increase) and French followers from 1,991 to 2,704 (a 42% increase). At the War Museum, English followers went from 41,452 to 90,159 (a 118% increase) and French followers went from 867 to 10,694 (an astounding 1,134% increase).

During the **Terry Fox** exhibition at the Museum of History, the daily #FollowTerry tweets proved to be a useful engagement tool, recognized by one of the Museum's followers, a prominent digital archaeologist, as an example of effective social media engagement. The "Fact or Fiction" videos for the War Museum's exhibition **Gladiators and the Colosseum - Death and Glory** performed exceptionally well on Twitter, receiving excellent engagement rates ranging from 18 to 33%.

Finally, at the end of March 2016, during Museum Week, the Museum of History and the War Museum each launched a new **Instagram** account. Initial reaction has been tremendous, and we hope to attract many new followers over the coming year.



## NEW PUBLICATIONS

### Souvenir catalogues

- *Terry Fox - Running to the Heart of Canada*, by Sheldon Posen and Erin Gurski  
This memory book takes the reader back to the 143 days in 1980 when Canadians watched, marvelled and idolized, then mourned and celebrated a heroic young athlete running to the heart of Canada.
- *World War Women*, by Stacey Barker  
The First and Second World Wars transformed the lives of Canadian women, as they took on new roles in response to the inevitable trials and tragedies of wartime.

### Recognition of publishing excellence

In late March 2016, the souvenir catalogue collection of the Museum of History and the War Museum was granted a prestigious Gold Quill Award by the International Association of Business Communicators. In their comments, award adjudicators noted that the catalogues were “attractive and highly likely to attract and engage the target audience with facts, images and graphics that capture the exhibitions” and that the collection “supports the Museum branding perfectly.”

### New in the Mercury Series

- *Choosing Buddhism: The Life Stories of Eight Canadians*, by Mauro Peressini  
The first-hand accounts in this book shed light on why and how people convert to a spirituality from such distant shores.

### Discover the architectural vision behind the War Museum

- *The Legacy Document: Canadian War Museum*, by Raymond Moriyama  
Renowned architect Raymond Moriyama’s remarkable commentary on the design principles of the Canadian War Museum building highlights the vision behind each structural element – from the echoes of the Canadian landscape, to the sound of nature in **Regeneration Hall**, to the axis of the sun at 11 a.m. on Remembrance Day.

### Publishing support from the War Museum

The Canadian War Museum continues to provide financial and editorial support to the following publishing ventures:

- *Studies in Canadian Military History*, a series of academic books published by the University of British Columbia Press.
- *The New Brunswick Military Heritage Project*, a series of short monographs published by the Military and Strategic Studies Program of the University of New Brunswick, in association with Goose Lane Editions.
- *Canadian Military History Journal*, a peer-reviewed, open-access academic journal now published in a biannual digital format by the Laurier Centre for Military Strategic and Disarmament Studies.

# Develop a collection that better reflects Canada's history and distinctiveness

## PRIORITIES

- Ensure the Museums' acquisition strategies are focused on collecting objects of historical significance.
- Expand efforts to acquire objects by cultivating relationships with collectors and by actively pursuing donations, such as Windfields Farms.
- Position the Museums as the national repository of objects that reflect and have shaped Canada's history.

## SUMMARY OF PERFORMANCE

The corporation met the one established objective in relation to this Strategic Direction through nationally significant acquisitions. This initiative has allowed the Museums to broaden their national collection and acquire Canadian treasures.

## A NEW VAULT FOR CANADIAN FURNITURE AND FOLK ART

At the Museum of History, a new sixth-floor storage vault now holds the Nettie Covey Sharpe Collection and the Harbinson Collection, combining in one accessible space over 4,000 objects of Canadian furniture and Quebec folk art. The **Nettie Covey Sharpe Collection** consists of furniture and works of popular sculpture that demonstrate the diversity of work produced by Quebec's popular artists. The Harbinson Collection, donated to the Museum by John and Heather Harbinson, contains furniture, textiles, earthenware, paintings and sculptures that reveal many details of daily life in early Canada.



### **NORMAN TAKEUCHI'S A MEASURED ACT**

The War Museum acquired Japanese-Canadian artist Norman Takeuchi's multi-media series **A Measured Act**, which reflects on the forced relocation of 22,000 Canadians of Japanese ancestry to isolated communities and internment camps during the Second World War. Takeuchi, whose family experienced this forced relocation, is known for his hybrid style that blends traditional Japanese iconography with abstract shapes and images of contemporary Canada.

*A Measured Act* features five life-sized paper kimonos incorporating photo transfers and other images related to the internment of Japanese Canadians. These kimonos are juxtaposed with six small drawings of some of the few household items – such as a teapot, a bowl with chopsticks and a pair of boots – that detainees (who were forced to give up their homes and most of their possessions) were allowed to take with them.

### **HUGH MCCAUGHEY: COMBAT CAMERAMAN**

The War Museum acquired letters, diaries, shooting logs and photographs belonging to **Second World War combat cameraman Sergeant Hugh McCaughey**, who served with the Canadian Film and Photo Unit. Donated by his son Bruce McCaughey, the artifacts document the elder McCaughey's life as a frontline filmmaker, working in dangerous conditions to record the events of the war, for use in the weekly *Canadian Army Newsreel*, screened for Canadian soldiers, and to bring images of the war to the home front. Among other events, McCaughey's diaries record his work in England filming German prisoners of war and returning British and Canadian casualties following the D-Day invasion of 1944.



### HISTORIC CANADIAN ARTIFACTS FROM THE WINKWORTH COLLECTION

The Museum of History acquired numerous artifacts from collector Peter Winkworth's extensive collection of Canadian artworks, ceramics and other items. Objects purchased by the Museum include ceramics, stoneware and other pieces depicting images of General James Wolfe; 19th century figurines of Sir John Franklin and Lady Franklin; clocks made in Montréal by English and French clockmakers between 1780 and 1790;

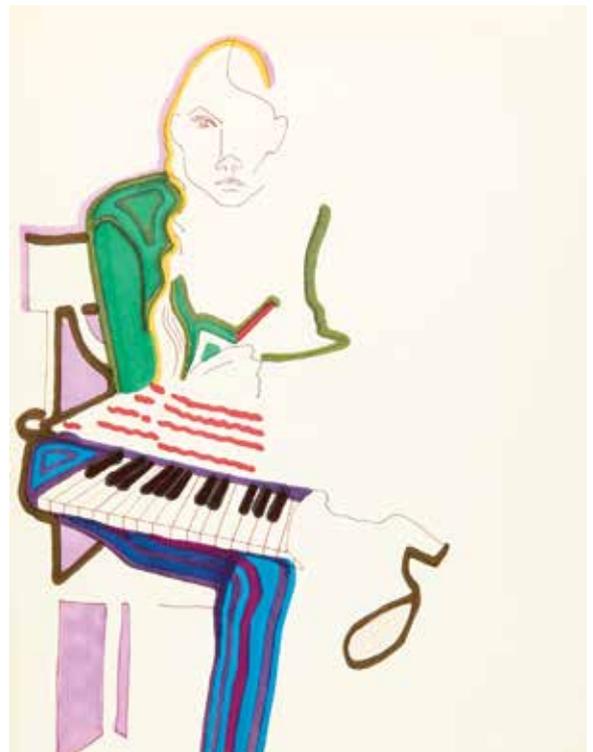
a pair of Canadian walnut and beech side chairs; and 125 stereoscopic photographs. These acquisitions will enable the Museum to shed light on important moments in 18th and 19th century life in Canada.

### GREAT MOMENTS IN CANADIAN POP MUSIC

The Museum of History enhanced its popular music holdings by acquiring collections associated with **Guy Lombardo and His Royal Canadians** (the dance band that made "Auld Lang Syne" synonymous with New Year's Eve), and **Denis (Dino) L'Espérance**, lead singer for César et les Romains (a 1960s yé-yé band that performed rock and roll hits in costumes inspired by Roman tunics).

The Museum also acquired a 1965 program from the Newport Folk Festival, known as the event where Bob Dylan "went electric." The festival also featured Canadian musicians including Ian & Sylvia, Gordon Lightfoot, the Cape Breton Singers, Arthur Nicolle and Newfoundland tradition-bearer Annie Walters. As well, the Museum acquired a brocade tuxedo jacket and a synthesizer owned by Oscar Peterson.

These acquisitions build on existing holdings that include materials from Joni Mitchell, Randy Bachman, Rush, the Esquires, Moe Koffman, Buffy Sainte-Marie, Dan Hill, Shania Twain, Anne Murray, Jim Vallance, Ra McGuire (Trooper), Carole Pope and others. They are part of an ongoing initiative to document the vitality and diversity of contemporary expressive culture in Canada.





**NUMBER OF NATIONALLY SIGNIFICANT ACQUISITIONS THAT REFLECT CANADIAN HISTORY**

RESULT



44

TARGET

32

**ANALYSIS**

As results were in line with the target, no action was required.

**AN OUTSTANDING COLLECTION OF ANTIQUE DECOYS**

The Museum of History acquired an outstanding collection of **150 waterfowl decoys** donated by collector Dr. Jim Stewart. Carved mainly in Ontario's Prince Edward County and the Thousand Islands region from the mid-1800s to the mid-1900s, the decoys are both functional hunting tools and beautiful works of art, recognized for their national significance. The Stewart Collection of Waterfowl Decoys has been recognized by the Canadian Cultural Property Export Review Board (CCPERB) as a collection of outstanding significance and national importance.



**SOME OTHER IMPORTANT ACQUISITIONS**

- Two original film reels taken of Avro Arrow test flights at the Avro facility in the 1950s.
- Various hockey memorabilia, including a program from the 1937 Howie Morenz memorial game, a goalie stick used by Ken Dryden in the mid-1970s, the gold ring presented to Foster Hewitt upon his 1965 induction into the Hockey Hall of Fame and Tim Horton's game-worn jersey when he was alternate captain of the Buffalo Sabres in the 1973-1974 season.
- A sign from John Lennon and Yoko Ono's 1969 "Bed-In for Peace" at the Queen Elizabeth Hotel in Montréal.
- A pair of S.W.A.T. tan desert boots worn by William MacDonald while serving in Afghanistan, most notably in the battle of the "white school" where four Canadian soldiers lost their lives.
- A collection of original manuscripts, paintings, portraits, photographs, silverware, jewellery and books belonging to various prominent Canadian families and individuals, including literary giants Susanna Moodie, Catharine Parr Traill and Stephen Leacock.



# Engage dynamic partnerships and networks across Canada and internationally for mutual benefit

## PRIORITIES

- Further develop the History Museums Network.
- Initiate or participate in partnerships with like-minded institutions, such as large scale international consortiums and local cultural institutions.
- Continue to establish and build upon international partnerships to enhance Canadians' awareness of world history and cultures.

## SUMMARY OF PERFORMANCE

The corporation met both of the established objectives in relation to this Strategic Direction through partnerships and collaborations, and projects initiated through the History Museums Network. These initiatives have allowed the Museums to be active in the community. The Museums partnered with a variety of institutions to offset costs, produce exhibitions and participate in loan agreements. The Museums have also been active in promoting partnerships and collaborations throughout the larger museum community.

## HISTORY MUSEUMS NETWORK

Under the leadership of the Canadian Museum of History, the History Museums Network facilitates collaboration among Canada's history museums to increase the capacities of individual museums, thereby enhancing the experience of museum visitors across the country.

A major collaborative effort this year involved the display of 10 treasures from the Canadian War Museum and the Canadian Museum of History's National Collection at The Manitoba Museum. The 10 artifacts on display included Canada's oldest known hockey stick (c. 1830); the revolver believed to have been used to kill Father of Confederation Thomas D'Arcy McGee; **the Last Spike** in Canada's transcontinental railway; the uniform worn by Manitoba-born Victoria Cross recipient William Barker, one of Canada's most decorated soldiers; and beaded moccasins from the Yanktonai Sioux Nation on Manitoba's Pipestone Reserve. The treasures arrived as the Museum of History and War Museum held their annual meeting in Winnipeg, and remained on display through the summer.

Other examples of collaboration include the opening of an adapted version of the exhibition **Canada's Titanic - The Empress of Ireland** at the Canadian Museum of Immigration at Pier 21 in Halifax, and Parks Canada's display of artifacts from the HMS *Erebus*, a ship from the Franklin expedition, at the Museum of History.

**NUMBER OF PROJECTS INITIATED THROUGH THE HISTORY MUSEUMS NETWORK**

RESULT



22

TARGET

15



**ANALYSIS**

As results were in line with the target, no action was required.



**BRINGING GREEK ANTIQUITY TO NORTH AMERICA**

During its run at the Museum of History from June 5 to October 12, 2015, **The Greeks - Agamemnon to Alexander the Great** attracted an impressive 150,000 visitors. This once-in-a-generation exhibition was the result of an international partnership built by the Museum, and including the Hellenic Ministry of Culture and Sports (Athens, Greece), The Field Museum (Chicago), the National Geographic Museum (Washington, DC) and Pointe-à-Callière Montréal Archaeology and History Complex. The most comprehensive exhibition on Ancient Greece ever presented in North America, it explores 5,000 years of history and features over 500 outstanding artifacts from 21 Greek museums, including many pieces never before displayed outside their homeland.

**PARTNERSHIP WITH HISTORICA CANADA**

The Museum of History and Historica Canada signed a Memorandum of Understanding that opens up the potential for future collaboration. The two organizations would bring different but complementary assets and resources to the common goal of furthering the knowledge of Canadian history amongst Canadians. Historica Canada reaches more than 8 million Canadians annually through various initiatives including the widely viewed “Heritage Minutes” series of historical television vignettes.



**NUMBER OF PARTNERSHIPS AND COLLABORATIONS INITIATED**

**RESULT**



79

**TARGET**

60

**ANALYSIS**

As results were in line with the target, no action was required.



### THE 800TH ANNIVERSARY OF THE MAGNA CARTA

From June 12 to July 26, 2015, Canadians enjoyed a rare opportunity to view one of the most important historical documents in the world: the Magna Carta. The Museum of History was the first stop on an exclusive 6-month tour of the exhibition **Magna Carta - Law, Liberty and Legacy**, which was organized through a partnership between the Museum, Magna Carta Canada, Lord Cultural Resources and the Durham Cathedral in England.

### BANKING ON CURRENCY HISTORY

The Museum of History partnered with the Bank of Canada Museum to present two money-oriented exhibitions. **CENTimental Journey** probed the history of the humble one-cent piece, highlighting 12 significant coins, illustrating the enormous change in the buying power of the Canadian penny, and exhibiting both the first and the last pennies struck at the Royal Canadian Mint. **Swindle! Canadian Phantom Banks** took visitors on a journey to 1837, a volatile year when rebellion in Canada and a chaotic U.S. economy created conditions that allowed swindlers and fraudsters to create fictional banks represented by phoney paper currency. Through the story of one phantom bank, the exhibition provided a glimpse into the lives of people who lived through those turbulent times.



### YOUTH ORCHESTRA OF THE NETHERLANDS

To commemorate the 70th anniversary of the liberation of the Netherlands, and in partnership with The Embassy of the Kingdom of the Netherlands, Veterans Affairs Canada and the Canadian Tulip Festival, the Canadian War Museum presented **Tribute to Veterans**, a performance by the Youth Orchestra of the Netherlands. This internationally renowned orchestra, with 25 musicians between ages 14 and 20, played a 45-minute private concert for veterans to thank them for their service. After the performance, Dutch youth presented Canadian veterans with tulips conveying messages of gratitude.



# Ensure the Museum has the financial resources to carry out its mandate

## PRIORITIES

- Continue to develop innovative and responsible strategies to diversify revenue streams.
- Develop a three- to five-year Fundraising Plan focused on sponsorship and major giving.
- Continue to engage shareholders in supporting the corporation's financial strategies (including payment in lieu of taxes) and promoting its value proposition.

## SUMMARY OF PERFORMANCE

The corporation met two of the three established objectives in relation to this Strategic Direction through revenue-generating activities and capital projects. However, fundraising goals were not met. The Fundraising Strategy for the Canadian Museum of History - Canadian History Hall Campaign, recently developed by the corporation, is expected to assist in achieving the fundraising goals. These activities made it possible for the Museums to increase financial resources through a variety of supplementary sources. Significant capital projects allowed the Museums to preserve and protect the integrity of their buildings.

## DOLLAR VALUE OF ALL REVENUE-GENERATING ACTIVITIES (IN 000'S)

RESULT



\$15,966

TARGET

\$13,559

2014-2015  
RESULT

\$14,500

## ANALYSIS

As results were in line with the target, no action was required.



### DONORS MAKE THE DIFFERENCE

Continued support from the public allows the Museums to preserve and share Canada's human, cultural and military history. In 2015-2016, 3,896 donors supported a variety of Museum initiatives, most notably the **Canadian History Hall**, the new **Women and Conflict** research initiative and **Supply Line**, a popular educational resource for First World War commemorative programming. By inviting Canadians to directly support programs and initiatives of their choice, the Museums are a philanthropic cause of choice for many Canadians across the country.

### MAJOR GIFTS

An exceptional collection of 150 antique hunting decoys was donated by Dr. Jim Stewart of Etobicoke, Ontario, a respected collector of wildlife Canadiana. This collection, along with a collection of early 20th century shotguns Dr. Stewart previously donated to the Museum of History, have a combined value of more than \$1 million.

The Museum of History gratefully acknowledges the generosity of Dr. Kanta Marwah of Ottawa, Ontario for her establishment of the **Dr. Kanta Marwah Endowment Fund** in support of the **Canadian History Hall**.

A plaque was unveiled in memory of Arnold Roy Pasiaka by his family at the War Museum, honouring his contributions to the Royal Canadian Navy in the Battle of the Atlantic. The Museum is grateful to the Pasiaka family for establishing a fund in Mr. Pasiaka's name to help educate Canadians on the role and impact of the Royal Canadian Navy.

The War Museum also applauds the dedication of the **Friends of the Canadian War Museum** in their continued support of multiple worthwhile initiatives at the Museum. In 2015-2016, the Friends supported the following programs: Awesome Sundays, the Military History Research Centre Adopt-a-Book Program, Complimentary Parking for Veterans, the Medal Stories Project, Operation Veteran and the Colonel Douglas H. Gunter History Awards.



**DOLLAR VALUE OF FUNDRAISING ACTIVITIES (IN 000'S)**

**RESULT**



**\$2,913**

**TARGET**

**\$3,380**

**2014-2015  
RESULT**

**\$2,610**

**ANALYSIS**

Fundraising activities were below target in the area of major giving and sponsorship. In the upcoming year, the corporation intends to focus on opportunities related to the **Canadian History Hall** and the First World War Centenary.

### THE HARBINSON COLLECTION OF CANADIAN FURNITURE AND DECORATIVE ARTS

John and Heather Harbinsons' dedication to acquiring early Canadian furnishings, along with their meticulous recordkeeping and research, has made their collection a Canadian treasure. The Harbinsons were interested in early Canadians – where they came from, what traditions they brought with them and how cultural influences were maintained within communities. Spanning the 1700s to the early 1900s, their collection represents significant French, English, Scottish, Irish, German and American settlements in Atlantic Canada, Ontario and Quebec.

Acquired by donation and purchase by the Museum of History, the collection – one of the finest of its kind – is now available to Canadians and people around the world in a new virtual exhibition on the Museum's website:

**The Harbinson Collection – A Passion for Canadian Furniture and Decorative Arts.** With the contribution of people such as the Harbinsons, the Museum is building a collection that is truly reflective of Canada's history.



### PROUD SUPPORTERS OF THE CANADIAN HISTORY HALL

The Museum of History is inviting private sector institutions to invest in the **Canadian History Hall** as a **Proud Supporter**, a designated sponsorship complete with status, recognition and benefits. As part of its outreach efforts, the Museum hosted a successful event for organizations in the National Capital Region and looks forward to welcoming more corporate partners into its circle of Proud Supporters.

### WAR MUSEUM CELEBRATES ITS DONORS

As part of its 10th anniversary celebrations in May 2015, the Canadian War Museum honoured individual and corporate donors, past and present, at a special donor event featuring architect Raymond Moriyama. Friendships were rekindled and new ties were made as the Museum welcomed key members of its family with a reception and behind-the-scenes tours.



## SPONSORSHIP

The **Canadian Association of Petroleum Producers** (CAPP) is proudly recognized as an Official Partner of the Canadian Museum of History. Continued support from CAPP and Canada's Oil Sand Producers has allowed for the development and presentation of special Museum exhibitions and related programming across the country.

The Canadian War Museum salutes its Official Partners of the First World War Centenary: John and Pattie Cleghorn and family; HCol (Ret'd) John C. Eaton, O.Ont., K.St.J., D.Com. and HCol Sally Horsfall Eaton, S.S.St.J., C.D., R.N., LL.D.; the Friends of the Canadian War Museum; TD Bank Group; VISITFLANDERS and the R. Howard Webster Foundation. Generous support from its Official Partners has enabled the War Museum to deliver multifaceted programming and rich exhibitions that expand our understanding of the First World War.

TD Bank Group is the National Presenting Sponsor of the War Museum's exhibition **Witness - Canadian Art of the First World War**, which was recently displayed at The Rooms in St. John's, Newfoundland and Labrador, and is continuing to travel to communities across Canada.

VISITFLANDERS, the official tourism body of Flanders in Belgium, is the National Presenting Sponsor of the travelling exhibition **Fighting in Flanders - Gas. Mud. Memory**. Two versions of the exhibition are travelling across the country simultaneously, maximizing viewership at both small and large venues.

With wide expertise in art transportation, **PACART** generously contributed to the international transportation of priceless treasures and works of art for the Museum's blockbuster exhibition **The Greeks - Agamemnon to Alexander the Great**.

**Raytheon Canada Limited** is welcomed as Presenting Sponsor of the War Museum's **World at War - International Speaker Series**, part of the Museum's First World War Centenary programming featuring leading Canadian and international experts. Through its sponsorship, Raytheon Canada Limited is also supporting the renewal of the Museum's post-1945 gallery, **From the Cold War to the Present**, with new displays, acquisitions and audiovisual experiences.



**RBC  
Emerging Artists  
Project**

RBC Aboriginal Training Program  
in Museum Practices



National Presenting Sponsor  
of **Fighting in Flanders –  
Gas. Mud. Memory.**  
travelling exhibition

Official Partner of the  
First World War Centenary



CANADIAN ASSOCIATION  
OF PETROLEUM PRODUCERS

National Presenting Sponsor of  
**1867 – Rebellion and Confederation**

Official Partner of the  
150th Anniversary of Confederation



National Supporting Sponsor  
of **1812** travelling exhibition



Presenter of the **World at War –  
International Speaker Series**



National Presenting Sponsor of  
**Witness – Canadian Art of the First  
World War** travelling exhibition

Official Partner of the  
First World War Centenary

National Presenting Sponsor  
of **1812** travelling exhibition



Transportation partner for  
**The Greeks – Agamemnon to  
Alexander the Great**

**NUMBER OF SIGNIFICANT CAPITAL PROJECTS  
THAT ARE PROGRESSING AS PLANNED**

**RESULT**



3

**TARGET**

3

**ANALYSIS**

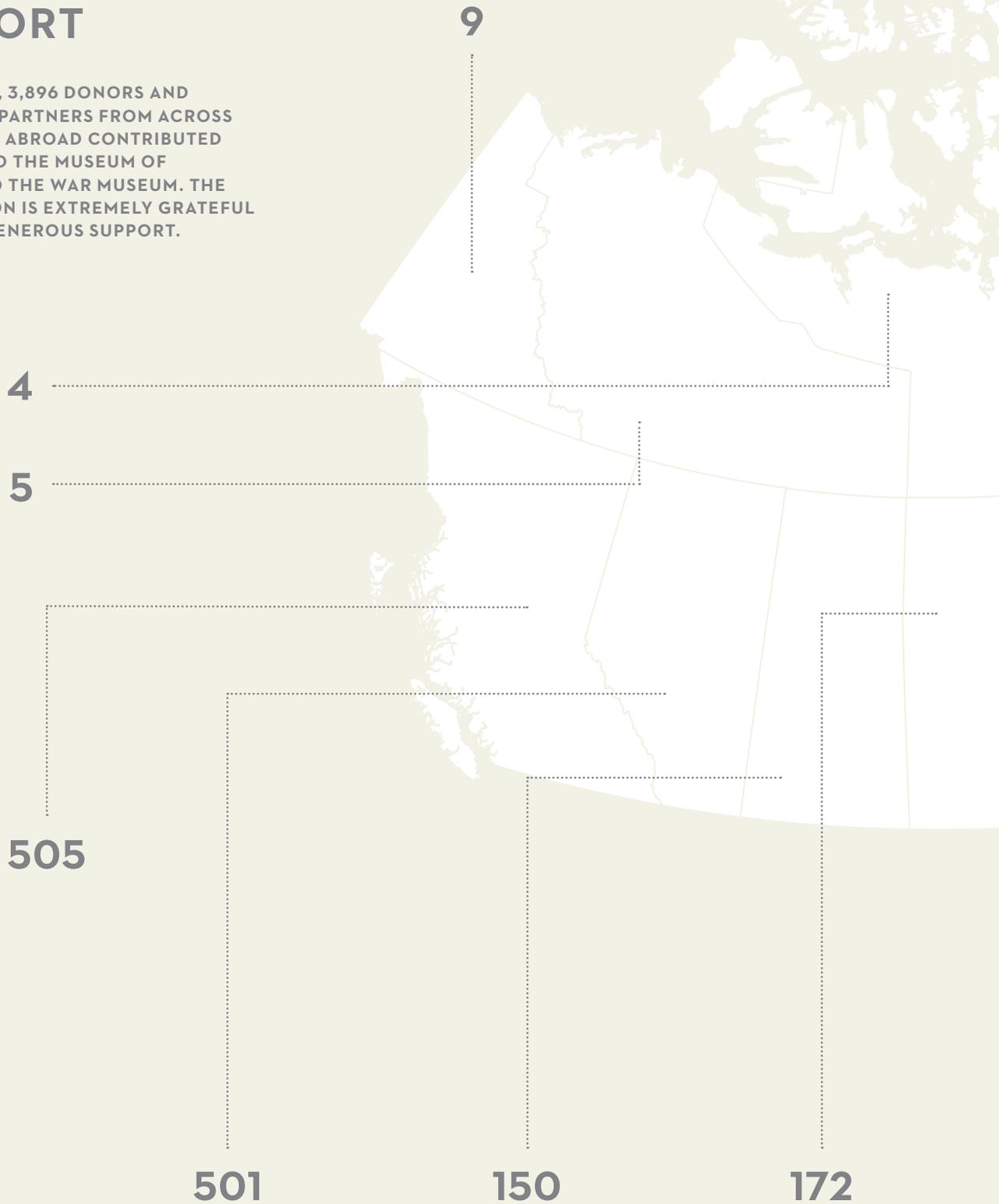
As results were in line  
with the target, no action  
was required.

**THE LIVING EXPERIENCE OF CANADIAN HISTORY**

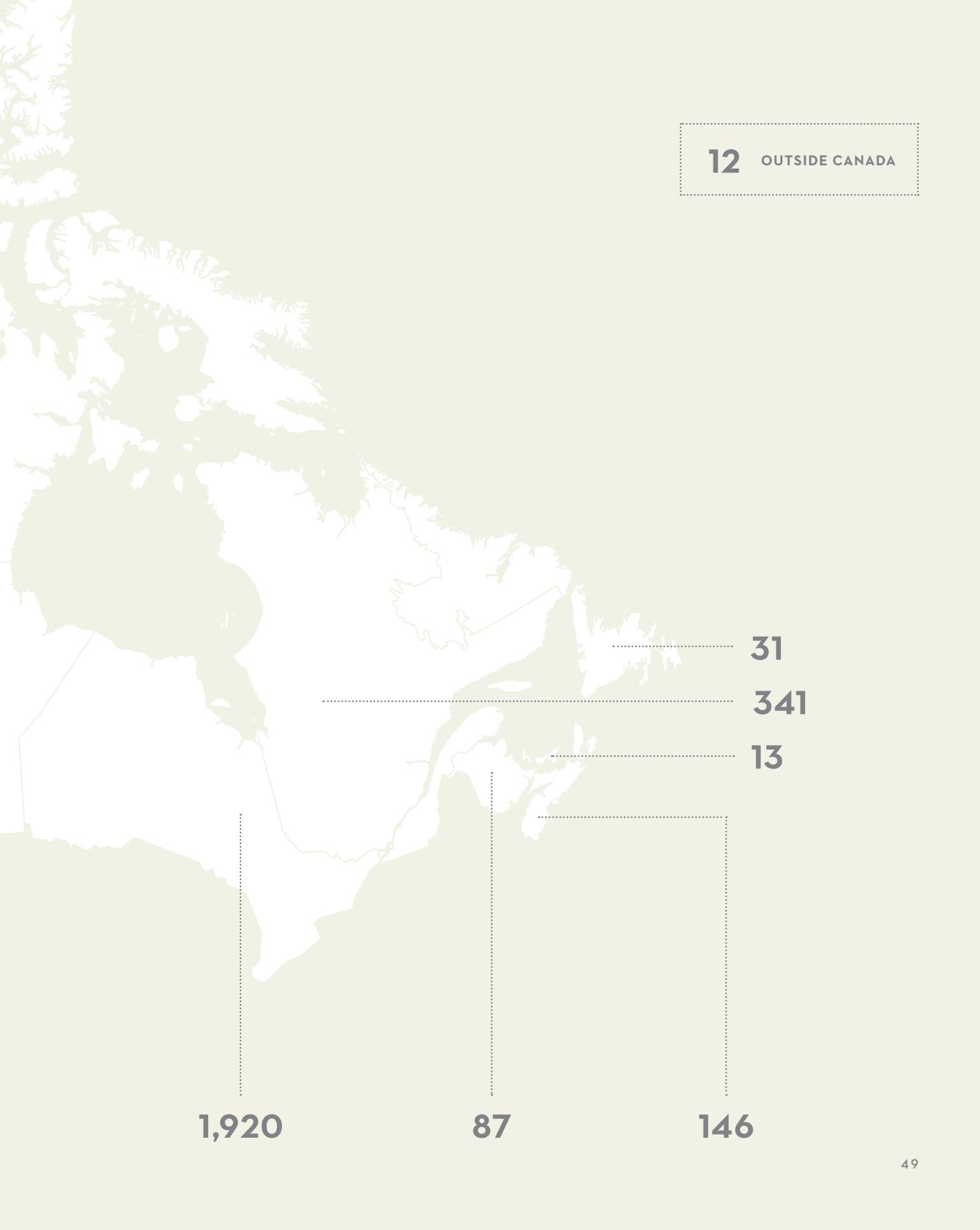
**THE CANADIAN MUSEUM OF HISTORY LETS YOU EXPERIENCE THE MILESTONES THAT SHAPE WHO WE ARE AS CANADIANS TODAY. WE ARE THE KEEPERS OF THE EVIDENCE. WE ENGAGE VISITORS THROUGH THE VOICES OF CANADIANS, ALLOWING THEM TO LIVE THE EXPERIENCE OF CANADIAN HISTORY, A HISTORY THAT IS AUTHENTIC, ALIVE AND UNFOLDING.**

# FINANCIAL SUPPORT

IN 2015-2016, 3,896 DONORS AND CORPORATE PARTNERS FROM ACROSS CANADA AND ABROAD CONTRIBUTED \$1,098,395 TO THE MUSEUM OF HISTORY AND THE WAR MUSEUM. THE CORPORATION IS EXTREMELY GRATEFUL FOR THEIR GENEROUS SUPPORT.



**12** OUTSIDE CANADA



**1,920**

**87**

**146**

**31**

**341**

**13**

# GOVERNANCE

## THE BOARD OF TRUSTEES

The corporation is governed by a Board of Trustees, whose members are appointed by the Minister of Canadian Heritage with the approval of the Governor in Council. The Trustees are selected from across the country. The Board, accountable to Parliament through the Minister, provides broad strategic direction and oversight with the assistance of six Committees and one Working Group.



***From left to right:***

Chrissie Unterhoffer, James D. Fleck, Michael Bliss, Claude Thibault, David Loye, Robert C. Wilband, Andrea T. Bobkowicz, Christopher McCreery, Mark O'Neill, Jean Giguère, Richard Gwyn, Judith Baxter, Ken Langille

### BOARD OF TRUSTEES COMMITTEES

- The **Executive Committee** assists in making decisions between Board meetings, as necessary.
- The **Audit Committee** serves as the Board's advisor on audit-related matters; ensures the maintenance of sound internal controls; and reviews internal audit plans, financial statements, and observations made by the Auditor General of Canada and relating to the Museum.
- The **Development Committee** advises and supports the Board and management in achieving greater self-sufficiency through fundraising.
- The **Finance Committee** advises the Board on accountability and planning in relation to financial matters such as financial reporting, the corporation's investment policy and contracts, and other financial transactions over \$500,000.
- The **Governance Committee** advises the Board on matters related to corporate governance.
- The **Canadian War Museum Committee** provides advice on matters related to the Canadian War Museum, and includes members of the Board of Trustees and representatives from veterans' groups.
- The **Canadian History Hall Working Group** advises on matters related to the **Canadian History Hall**, which will open on July 1, 2017.



***From left to right:***

Mark O'Neill, President and Chief Executive Officer;  
 Chrissie Unterhoffer, Corporate Secretary and Director  
 of Strategic Planning; David Loye, Chief Operating  
 Officer and Senior Vice-President

# MEMBERS OF THE BOARD

## **DR. JAMES (JIM) FLECK, C.C., INTERIM CHAIR**

TORONTO, ONTARIO

Dr. Fleck is an entrepreneur, academic and leading cultural philanthropist. In business, he founded Fleck Manufacturing Inc. and was Chairman of ATI Technologies and Alias Research. He is Professor Emeritus at The Rotman School of the University of Toronto and taught at both Harvard and York universities. In the non-profit sector, Dr. Fleck was President of the Art Gallery of Ontario and is Chairman of Business for the Arts, a national association of business leaders supporting the arts. He chairs the Board of Directors of the University of Toronto Schools, the only high school affiliated with a university and located on campus. In government, he served as Deputy Minister of Industry and Secretary of Cabinet for former Ontario Premier Bill Davis. Dr. Fleck's many honours include Companion of the Order of Canada, the Queen Elizabeth II Diamond Jubilee Medal, the Edmund C. Bovey Award for Leadership Support of the Arts, the Ramon John Hnatyshyn Award for Voluntarism in the Performing Arts and the International Society for the Performing Arts' Angel Award.

*Governance Committee Chair*

*Executive Committee Vice-Chair*

*Audit Committee Ex Officio*

*Finance Committee Ex Officio*

*Development Committee Ex Officio*

*Canadian War Museum Committee Ex Officio*

## **MS. JUDITH BAXTER, TRUSTEE**

CLIFTON ROYAL, NEW BRUNSWICK

Ms. Baxter is a recipient of the Queen Elizabeth II Diamond Jubilee Medal, the 125th Anniversary of Confederation Medal and the Queen Elizabeth II Golden Jubilee Medal. She has worked as an artist, writer and commercial illustrator, and is a tireless volunteer activist and community organizer. Ms. Baxter was founding director of the Kingston Farmers Market, the Clifton Royal Recreation Council and the John Fisher Memorial Museum. She has served as Director of the John Fisher Memorial Museum as well as on the Executive Board of Kingston Peninsula Heritage Inc. She currently holds a seat on the Board of the New Brunswick Museum.

*Executive Committee member*

*Development Committee member*

*Canadian War Museum Committee member*

*Audit Committee member*

*Canadian History Hall Working Group member*

## **PROF. MICHAEL BLISS, O.C., TRUSTEE**

TORONTO, ONTARIO

Professor Bliss, one of Canada's foremost historians and an award-winning author, taught at the University of Toronto for 38 years. While most of his 14 books, including *The Discovery of Insulin* and *William Osler: A Life in Medicine*, reflect his specialization in medical and Canadian history, he has also earned two National Magazine Awards for business and political writing. In 1988, he won the Royal Society of Canada's Tyrrell Medal for outstanding work on the history of Canada. Professor Bliss is an Officer of the Order of Canada and Honorary Fellow of the Royal College of Physicians and Surgeons of Canada. He has been recognized with honorary degrees from McGill University, McMaster University,

the University of British Columbia, the University of Toronto, the University of Prince Edward Island and the Medical College of Wisconsin, and was inducted into the Canadian Medical Hall of Fame in 2016.

*Executive Committee member  
Canadian War Museum Committee member  
Audit Committee member  
Canadian History Hall Working Group member*

**MS. ANDREA T. BOBKOWICZ, TRUSTEE**

*WESTMOUNT, QUEBEC*

Andrea Bobkowicz is an Investment Advisor with National Bank Financial, Private Wealth Management. Ms. Bobkowicz previously worked in Global Institutional Equity Sales at RBC Dominion Securities in New York and, as a result, has business experience in South Africa, Australia and Latin America. She is fluent in English, French and Spanish. Her volunteer work in the community includes leadership positions with the Foundation of Catholic Community Services and the St. Patrick's Society of Montréal. In addition, Ms. Bobkowicz has served as a member of several major professional and policy-shaping organizations, including the Canadian Council for the Americas, the Canadian Society of New York, the Couchiching Institute on Public Affairs, Women in Capital Markets and the Financial Women's Association of New York.

*Finance Committee Chair  
Development Committee member*

**MS. JEAN GIGUÈRE, C.M., TRUSTEE**

*WINNIPEG, MANITOBA*

Jean Giguère has a long and distinguished record of leadership and achievement within the Canadian cultural community. A founding member of Culture Days, a project committed to making culture a daily habit for Canadians, she is past Vice-Chair of the National Culture Days Board and currently chairs Culture Days Manitoba. She is also a member of the Advisory Board of the Royal Manitoba Theatre Centre. In 2009, Ms. Giguère was elected a Director of Business for the Arts, a national organization dedicated to building partnerships between the arts and the business community. She was first elected to the Board of the Royal Winnipeg Ballet in 1997, later serving as its Chair and, in 2011, was appointed Chair Emeritus. Ms. Giguère has extensive experience in board governance, fundraising and strategic planning in the cultural sector. After serving five years on the Canadian Arts Summit Steering Committee, she chaired the 2009 Summit in Montréal. At the Royal Manitoba Theatre Centre, she has served as Vice-President responsible for fundraising and Chair of Special Events. Ms. Giguère was the inaugural recipient of the Winnipeg Art Council's Making a Difference Award and received the Queen Elizabeth II Diamond Jubilee Medal for her "outstanding contribution to artistic life in Canada." In 2014, she was honoured with the Ramon Hnatyshyn Governor General award for Voluntarism in Performing Arts.

*Governance Committee member  
Development Committee member*

**MR. RICHARD J. GWYN, O.C., LL.D., TRUSTEE**

TORONTO, ONTARIO

Richard J. Gwyn is a renowned historian, author and political commentator. His career as a journalist includes 30 years with the *Toronto Star*, where he wrote and continues to write columns on national and international affairs and was a regular commentator on television and radio. The highly praised author of seven books, Mr. Gwyn has written biographies of Prime Ministers Sir John A. Macdonald (two volumes) and Pierre Elliott Trudeau, and of Newfoundland Premier Joey Smallwood. His study *Nationalism Without Walls* has been ranked by the *Literary Review of Canada* as one of Canada's 100 most important books. Mr. Gwyn's honours include two National Newspaper Awards, a National Magazine Award, the Charles Taylor Prize for Literary Non-Fiction, the Shaughnessy Cohen Prize for Political Writing and the J. W. Dafoe Book Prize. From 2002 to 2007, he was Chancellor of St. Jerome's University at the University of Waterloo. The recipient of five honorary degrees, Mr. Gwyn was named an Officer of the Order of Canada in 2002.

*Governance Committee member**Canadian War Museum Committee member**Canadian History Hall Working Group member***MR. KEN LANGILLE, TRUSTEE**

NEW GLASGOW, NOVA SCOTIA

Ken Langille has served the community of New Glasgow in a variety of capacities, including as Deputy Fire Chief, Deputy Mayor, Chair of the Police Commission and Fire Committee, and President of the Festival of the Tartans. He has also served on several boards and commissions at the county and provincial levels, including the Nova Scotia Police Review Board. Mr. Langille has been an active member of the Royal Canadian Legion and the Atlantic Branch of the Black Watch Association. He was also President of the Pictou County Shrine Club and the Pictou County Sports Heritage Hall of Fame, among other groups and associations.

*Canadian War Museum Committee Chair**Governance Committee member***DR. CHRISTOPHER McCREERY, M.V.O., TRUSTEE**

HALIFAX, NOVA SCOTIA

Dr. McCreery is the Private Secretary to the Lieutenant Governor of Nova Scotia and Executive Director of Government House in Halifax. Author of more than a dozen books, he holds a doctorate in Canadian Political History from Queen's University and is a recognized authority on Canadian honours, symbols and the role of the Crown in Canadian government. He has served on the Department of Canadian Heritage War of 1812 Advisory Committee, the Queen Elizabeth II Diamond Jubilee Committee and the Prime Minister's 2010 advisory committee on the appointment of the Governor General. Dr. McCreery is a Member of the Royal Victorian Order, a Fellow of the Royal Canadian Geographical Society and a Fellow of the Queen's University Centre for the Study of Democracy.

*Executive Committee member**Finance Committee member**Development Committee member**Governance Committee member**Canadian History Hall Working Group member*

**MR. CLAUDE THIBAUT, TRUSTEE***MONT-ROYAL, QUEBEC*

Claude Thibault is Chief Financial Officer of DCM Group, an engineering and industrial construction company with activities across Canada. Mr. Thibault is a seasoned finance executive with close to 20 years' experience as Chief Financial Officer of publicly-listed and private companies. He previously worked in investment banking and corporate finance as Vice-President at Midland Walwyn Capital and KPMG. Mr. Thibault has served on a number of boards of directors, including that of the Old Port of Montréal Corporation. He is a Chartered Professional Accountant and Chartered Business Valuator, and holds an MBA from McGill University. Mr. Thibault recently obtained a certification at the Institute for governance of private and public organizations.

*Audit Committee Chair**Finance Committee member***EMR. ROBERT C. WILBAND, TRUSTEE***VANCOUVER, BRITISH COLUMBIA*

Robert Wilband has over 40 years of experience in Canada and internationally as a business leader and board director, primarily in the technology sector. Until his retirement in 1999, he was President and Chief Executive Officer of Prologic Corporation of Richmond, British Columbia, a global leader in providing banking software with 350 corporate customers in 31 countries. Mr. Wilband, who has a Master's degree in Business Administration, is also a Certified General Accountant. His honours include the Canada Export Award and the CIBC National Job Creation Award. He is a lifetime member of the President's Club at Simon Fraser University, where he served as an Executive in Residence and Adjunct Professor. Mr. Wilband continues to act as a mentor in the technology sector, drawing on his extensive expertise in corporate governance, finance, marketing and business strategy development.

*Development Committee Chair**Audit Committee member**Finance Committee member*

# EXECUTIVE MANAGEMENT

The President and Chief Executive Officer, supported by an Executive Management team, is accountable for the day-to-day administration of the corporation's performance, its long-term viability and the achievement of its objectives.

## CORPORATE OFFICERS

- **Mark O'Neill**, President and Chief Executive Officer
- **David Loye**, Chief Operating Officer and Senior Vice-President
- **Chrissie Unterhoffer**, Corporate Secretary and Director of Strategic Planning

## EXECUTIVE MANAGEMENT TEAM

In addition to the Corporate Officers, the Executive Management cadre also includes, as of March 31, 2016:

- **Jean-Marc Blais**, Director General, Canadian Museum of History and Vice-President of the Corporation
- **Stephen Quick**, Director General, Canadian War Museum and Vice-President of the Corporation
- **Megan Richardson**, Director, Virtual Museum of Canada
- **Manon Rochon**, Vice-President, Human Resources
- **Chantal Schryer**, Vice-President, Corporate Affairs

## GOVERNANCE STRUCTURE

- **Corporate Planning Group:** Provides overall direction to the corporation's planning; ensures performance measurement and risk management frameworks are effective and integrated into the planning processes; monitors performance and makes course corrections as required; ensures that the Museums have effective practices in place for sound governance and workplace values and ethics.
- **Resource Planning Group:** Ensures resources are aligned with corporate priorities and that effective stewardship practices are in place.
- **Human Resources Planning Group:** Provides advice and assists in the management of the Museums' human resources.
- **Research and Collections Planning Group:** Provides advice and assists in the management of the Museums' research and collections activities.
- **Exhibitions Planning Group:** Provides advice and assists in the management of the Museums' exhibitions, including special and travelling exhibitions.
- **Canadian History Hall Project Team:** Provides overall coordination and direction to the development of the **Canadian History Hall**.

Together, these six groups – comprising a cross-selection of executives, directors and managers – provide a forum for strategic discussions of corporate planning and management, and for the alignment of resources with corporate priorities. These groups also provide a mechanism to further integrate risk management into all of the corporation's planning, monitoring and decision-making activities.

To ensure flow of communication throughout the Management cadre, the governance structure also includes a Managers' Forum. Including all executives, directors and managers in the corporation, the Managers' Forum meets throughout the year for information-sharing purposes.

#### **HUMAN RESOURCES PRACTICES AND OFFICIAL LANGUAGES POLICY**

The corporation follows human resource management practices. It is committed to a learning culture that promotes continuous development and training, and provides the necessary tools for adaptation in an ever-changing environment. It works proactively with the unions to address and resolve issues of concern, and to maintain a meaningful, professional and positive work environment.

In addition, the corporation actively promotes official languages through linguistic evaluation and appropriate second-language training, as well as ensuring high client service standards to the general public in both official languages. With 95% of positions designated bilingual and 81% of staff qualified as bilingual, the corporation continues to meet the high standards of client services to the general public in both official languages.

#### **EMPLOYMENT EQUITY AND MULTICULTURALISM**

The corporation is committed to a talent-management culture that recruits, engages and retains a talented workforce by promoting continuous development in an inclusive and engaging environment dedicated to museological excellence. The corporation provides a diverse and inclusive workplace committed to the principles of employment equity and multiculturalism that is complementary to our mandate of preserving, promoting and exploring Canada's rich history and cultural diversity.

#### **THE CONTRIBUTION OF VOLUNTEERS**

Volunteers make an important and valuable contribution not only to the Museums, but also to the hundreds of thousands of visitors each year that benefit directly from their knowledge, enthusiasm and commitment. In 2015-2016, 379 volunteers worked on variety of projects in the areas of research, archives, library services, special events, programs, mailing and administration.

# DONORS AND SPONSORS

## THANK YOU FOR YOUR SUPPORT

The corporation is extremely grateful for the generous contributions of our donors, and for the investments made by our corporate sponsors. Their support is instrumental in helping us achieve our goals for exhibitions, programming and collections development for both the Canadian Museum of History and the Canadian War Museum.



Dr. Kanta Marwah with Mark O'Neill

This is a list of donors and sponsors who have made financial donations or pledge installments over \$150 during the fiscal year, under the following contribution levels:

**\$100,000 to \$249,999**

- Canadian Association of Petroleum Producers
- TD Bank Group

**\$50,000 to \$99,999**

- Dr. Kanta Marwah
- The John C. and Sally Horsfall Eaton Foundation
- RBC Foundation

**\$25,000 to \$49,999**

- Friends of the Canadian War Museum
- R. Howard Webster Foundation
- Raytheon Canada Ltd.

**\$10,000 to \$24,999**

- The Caldwell Foundation
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- Paul Kavanagh
- The Royal Canadian Legion, Dominion Command
- Topham V.C. Trust

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- Thomas A. Ripley
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- Douglas Bean
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- Dr. Kenneth J. McBey
- Edward Seal

- Edward Swinton  
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- Elizabeth Sheils
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and Christy M. Robinson
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- William Muir
- William Neilson
- William Pope
- Woodroffe High School
- Yvonne and James H. Gebhardt

### **Legacy Circle**

*We are proud to acknowledge and thank the following individuals for providing a future gift to the Museums through a bequest, gift of life insurance or other planned giving arrangement.*

- Col (Ret'd) Jarrott W. Holtzhauer
- Douglas and Joanne Zbetnoff
- Ernest Howard
- Gen (Ret'd) Paul D. Manson
- Geraldine Plomp
- Jack L. Granatstein
- LGen (Ret'd) Charles H. Belzile
- Paul Kavanagh
- Richard Iorweth Thorman
- VAdm Ralph L. Hennessy, D.S.C., C.D.

### **Benefactor PLUS Members**

- B. A. Gingras
- Eileen and Ralph Overend
- Jill Carleton
- Judy Young Drache and Arthur B. C. Drache, C.M., Q.C.
- Sunny and Nini Pal
- Sylvie Morel
- The Ven. David Selzer and Ms. Ann E. Miller

## THE HUMAN EXPERIENCE OF WAR

**THE CANADIAN WAR MUSEUM REVEALS HUMAN STORIES THROUGH CANADA'S MILITARY HISTORY. IT NARRATES HISTORY THROUGH THE EYES OF PEOPLE WHO WITNESSED IT, EMPHASIZING THE HUMAN EXPERIENCE OF WAR, WHILE ITS AUTHENTIC, ARTIFACT-RICH COLLECTIONS LET VISITORS DRAW THEIR OWN CONCLUSIONS.**

# MANAGEMENT DISCUSSION AND ANALYSIS

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.

## EXTERNAL ENVIRONMENT

The corporation is highly dependent upon revenues from attendance at its two Museums, which are directly influenced by the Canadian and global economies, and the travel and tourism market.

In its November 2015 economic and fiscal update, the Department of Finance noted that risks surrounding the Canadian economic outlook remain tilted to the downside, mostly reflecting low and volatile global oil prices and a weak and uncertain global environment. Externally, it was noted that the overall risk remains that growth in emerging and advanced economies continues to fall short of expectations.

## FINANCIAL OVERVIEW

The corporation was pleased by the decision of the Government of Canada to maintain its current level of funding. The corporation is still affected, however, by past funding reductions and cost-containment measures, including the operating funding freeze announced for 2014-2015 and 2015-2016. These measures, along with increasing costs to operate the corporation's buildings, have resulted in a fiscal environment that remains challenging.

Budget 2016 notes that Canada's national museums are important cultural institutions that play a vital role in preserving Canada's heritage, educating Canadians and inspiring innovation. It further notes that Canada's national museums have faced financial pressures that have impacted their ability to implement dynamic and important programs and exhibitions. Budget 2016 proposes to provide additional funding to help Canada's national museums address immediate operational and capital pressures.

In Budget 2014, the government transferred responsibility for the Virtual Museum of Canada (VMC) and the Online Works of Reference (OWR) programs from the Department of Canadian Heritage to the corporation. 2015-2016 was the first full year of operations since the transfer of these two programs.

As part of the transformation from the Canadian Museum of Civilization to the Canadian Museum of History, the corporation received \$25 million over four years to help transform two of its galleries (the Canada Hall and Face to Face) into one major exhibition focusing on Canadian history.

## STATEMENT OF OPERATIONS

The corporation's net result of operations for the fiscal year 2015-2016 reflects a surplus of \$2.75 million. This is primarily attributable to increased revenues from strong attendance figures and an admission price increase, combined with savings from contract renegotiations and operational efficiencies.

### *Parliamentary Appropriations*

The corporation's parliamentary appropriations increased by \$3.5 million in 2015-2016, from \$72.8 million to \$76.3 million. This increase is primarily due to:

- The first full year of funding since the transfer of the Virtual Museum of Canada and the Online Works of Reference programs from the Department of Canadian Heritage.
- Variations in amounts restricted for capital asset projects.

### *Operating Revenues*

Operating revenues for the fiscal year were \$14.6 million, compared to \$13.2 million in the previous year, representing a 10.6% increase year over year. This increase is mainly attributable to the following:

- General admission and programs increased by 27.3% as the result of strong attendance and a price increase.
- Boutique sales and parking revenue increased by 12.5% as the result of higher attendance and an increase in monthly parking rates.

### *Donations and Sponsorships*

Donations and sponsorships increased by \$0.9 million in 2015-2016, from \$2.1 million to \$3.0 million. This increase is primarily due to a \$0.8 million increase in in-kind sponsorships and artifact donations.

### *Expenses*

The corporation's operating expenses increased by \$2.4 million or 2.7%, from \$90.2 million in 2014-2015 to \$92.6 million in 2015-2016. This increase is mainly attributable to the following:

- The first full year of operations of the Virtual Museum of Canada and Online Works of Reference programs resulted in an increase in expenses of \$2.1 million.
- Personnel costs increased by \$1.4 million or 4.2% due to salary increases and fewer vacant positions in 2015-2016.
- Building operations decreased by \$1.2 million or 17.1% due to contract renegotiations and operational efficiencies.

**STATEMENT OF FINANCIAL POSITION**

Cash has increased to \$20.5 million as at March 31, 2016, as compared to \$4.1 million as at March 31, 2015, mainly attributable to deferred funding for the transformation of the Canada Hall and Face to Face galleries.

As at March 31, 2016, the corporation held Master Asset Vehicle (MAV) notes tied to its original investment in non-bank-sponsored asset-backed commercial paper (ABCP) in 2007. There is a significant amount of uncertainty in estimating the amount and timing of cash flows associated with MAV notes. The corporation estimates the fair value of its MAV notes by discounting expected future cash flows considering the best available data as at March 31, 2016. The fair values reported may change materially in subsequent periods, which would have a direct impact on the net results of operations. As at March 31, 2016, the MAV notes were recorded at their estimated fair value of \$9.4 million.

The National Collection Fund decreased from \$10.8 million to \$10.7 million in 2015-2016. This Fund provides the corporation with flexibility to react to opportunities to enrich its collection and to preserve Canadian heritage through targeted acquisitions.

**RESTATEMENT OF PAYMENTS IN LIEU OF PROPERTY TAXES**

During the year, the corporation reviewed its accounting treatment for payments in lieu of property taxes (PILT). The corporation concluded the requirement to record a prepaid expense in the prior period financial statements in order to not understate the corporation's assets. Consequently, the corporation amended its prepaid expenses and unrestricted net assets, resulting in a retroactive restatement of prior years' balances. This restatement had no impact on the net result of operations.

# FINANCIAL STATEMENTS

Year ended March 31, 2016



# MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The financial statements contained in this Annual Report have been prepared by Management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, and the integrity and objectivity of the data in these financial statements is Management's responsibility. Financial information presented throughout the Annual Report is consistent with the financial statements.

In support of its responsibility, 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 financial information, that assets are safeguarded and controlled, and that transactions are in accordance with the *Financial Administration Act* and regulations as well as the *Museums Act* and the by-laws of the corporation.

The Board of Trustees is responsible for ensuring that Management fulfills its responsibilities for financial reporting and internal control. The Board exercises its responsibilities through the Audit Committee, which includes a majority of members who are not officers of the corporation. The Committee meets with Management and the independent external auditor to review the manner in which these groups are performing their responsibilities, and to discuss auditing, internal controls and other relevant financial matters. The Audit Committee has reviewed the financial statements with the external auditor and has submitted its report to the Board of Trustees. The Board of Trustees has reviewed and approved the financial statements.

The corporation's external auditor, the Auditor General of Canada, examines the financial statements and reports to the Minister of Canadian Heritage, who is responsible for the Canadian Museum of History.



**Mark O'Neill**  
President and Chief Executive Officer



**Melissa MacKenzie, CPA, CA**  
Chief Financial Officer

22 June 2016

# INDEPENDENT AUDITOR'S REPORT

To the Minister of Canadian Heritage

## **Report on the Financial Statements**

I have audited the accompanying financial statements of the Canadian Museum of History, which comprise the statement of financial position as at 31 March 2016, 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 a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Canadian Museum of History as at 31 March 2016, 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.

**Report on Other Legal and Regulatory Requirements**

As required by the *Financial Administration Act*, I report that, in my opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Canadian Museum of History that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part X of the *Financial Administration Act* and regulations, the *Museums Act* and regulations, the by-laws of the Canadian Museum of History, and the directive issued pursuant to section 89 of the *Financial Administration Act* described in Note 1 to the financial statements.



Riowen Yves Abgrall, CPA, CA  
Principal  
for the Auditor General of Canada

22 June 2016  
Ottawa, Canada

# CANADIAN MUSEUM OF HISTORY

## Statement of Financial Position

As at March 31

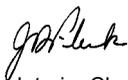
(In thousands of dollars)

	2016	2015 Restated Note 3
<b>Assets</b>		
Current assets:		
Cash	\$ 20,481	\$ 4,070
Restricted cash and investments (note 4)	1,842	1,129
Investments (note 5)	2,732	7,384
Accounts receivable	2,070	1,769
Inventories	885	880
Prepaid expenses	813	2,859
	<u>28,823</u>	<u>18,091</u>
Restricted cash and investments (note 4)	12,162	12,894
Investments (note 5)	49,629	44,249
Collections (note 6)	1	1
Capital assets (note 7)	242,396	243,493
	<u>\$ 333,011</u>	<u>\$ 318,728</u>
<b>Liabilities and Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 8)	\$ 21,070	\$ 16,791
Deferred contributions (note 9)	7,770	6,717
Deferred revenues	1,828	1,574
	<u>30,668</u>	<u>25,082</u>
Deferred contributions – National Collection Fund (note 10)	10,670	10,759
Deferred contributions related to capital assets (note 11)	217,171	210,947
Employee future benefits (note 12)	5,842	5,454
	<u>264,351</u>	<u>252,242</u>
Net assets:		
Unrestricted	23,803	21,053
Investment in capital assets	40,868	40,868
Accumulated remeasurement gains	3,989	4,565
	<u>68,660</u>	<u>66,486</u>
	<u>\$ 333,011</u>	<u>\$ 318,728</u>

*Contingencies and contractual obligations (notes 17 and 18)*

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

Approved by the Board of Trustees



Interim Chairperson



Trustee

## CANADIAN MUSEUM OF HISTORY

### Statement of Operations

For the year ended March 31  
(In thousands of dollars)

	2016	2015
Revenues:		
Donations and sponsorships (note 13)	\$ 3,023	\$ 2,090
Net investment income (note 14)	1,395	1,317
Operating (schedule 1)	14,571	13,183
	<u>18,989</u>	<u>16,590</u>
Expenses (schedule 2):		
Collect and research	13,781	12,771
Exhibit, educate and communicate	23,324	21,234
Accommodation	38,059	37,984
Corporate management	17,388	18,203
	<u>92,552</u>	<u>90,192</u>
Net result of operations before government funding	(73,563)	(73,602)
Parliamentary appropriations (note 15)	76,313	72,833
Net result of operations	<u>\$ 2,750</u>	<u>\$ (769)</u>

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

### Statement of Remeasurement Gains and Losses

For the year ended March 31  
(In thousands of dollars)

	2016	2015
Accumulated remeasurement gains, beginning of year	\$ 4,565	\$ 2,867
Unrealized gains (losses) attributed to investments	(778)	1,583
Amounts reclassified to the Statement of Operations – investments	202	115
Net change in accumulated remeasurement gains (losses) for the year	(576)	1,698
Accumulated remeasurement gains, end of year	<u>\$ 3,989</u>	<u>\$ 4,565</u>

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

## CANADIAN MUSEUM OF HISTORY

### Statement of Changes in Net Assets

For the year ended March 31

(In thousands of dollars)

	Unrestricted	Investment in capital assets	Accumulated remeasurement gains	2016	2015 Restated Note 3
Net assets, beginning of year as previously stated	\$ 18,721	\$ 40,868	\$ 4,565	\$ 64,154	\$ 63,225
Restatement (note 3)	2,332	-	-	2,332	2,332
Net assets, beginning of year as restated	21,053	40,868	4,565	66,486	65,557
Net result of operations	2,750	-	-	2,750	(769)
Net change in accumulated remeasurement gains (losses)	-	-	(576)	(576)	1,698
Net assets, end of year	\$ 23,803	\$ 40,868	\$ 3,989	\$ 68,660	\$ 66,486

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

## CANADIAN MUSEUM OF HISTORY

### Statement of Cash Flows

For the year ended March 31

(In thousands of dollars)

	2016	2015
Operating activities:		
Cash receipts from clients and other receivables	\$ 20,102	\$ 18,270
Cash receipts from parliamentary appropriations	62,632	62,408
Cash paid to and on behalf of employees	(32,937)	(32,582)
Cash paid to suppliers	(41,662)	(44,173)
Restricted contributions and related investment income	1,045	1,387
Interest received	1,399	1,429
<b>Net cash through operating activities</b>	<b>10,579</b>	<b>6,739</b>
Investing activities:		
Principal repayments of investments	167	53
Increase in investments and restricted investments	(11,287)	(16,927)
Decrease in investments and restricted investments	10,357	6,363
<b>Net cash through investing activities</b>	<b>(763)</b>	<b>(10,511)</b>
Capital activities		
Acquisition of capital assets	(13,524)	(6,005)
Financing activities		
Parliamentary appropriations for the acquisition of capital assets	20,832	8,388
<b>Increase (decrease) in cash and restricted cash</b>	<b>17,124</b>	<b>(1,389)</b>
Cash and restricted cash, beginning of year:		
Cash	4,070	2,627
Restricted cash	1,129	3,961
	5,199	6,588
Cash and restricted cash, end of year:		
Cash	20,481	4,070
Restricted cash	1,842	1,129
	\$ 22,323	\$ 5,199

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

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

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### 1. Mission and mandate

The Canadian Museum of History (the "Corporation"), formerly named the Canadian Museum of Civilization, was established on December 12, 2013 through an amendment to the *Museums Act*. The Canadian Museum of History is an agent Crown corporation named in *Part I of Schedule III to the Financial Administration Act* and is not subject to income tax under the provisions of the *Income Tax Act*. The Canadian Museum of History includes the Canadian War Museum.

The mission, as stated in the *Museums Act*, is as follows:

*"to enhance Canadians' knowledge, understanding and appreciation of events, experiences, people and objects that reflect and have shaped Canada's history and identity, and also to enhance their awareness of world history and cultures."*

The Canadian Museum of History's operations are divided into four mutually supportive activities which work together to meet all aspects of its mandate. These activities are:

#### **Collect and research**

Manages, develops, conserves, and undertakes research on the collections to enhance program delivery and augment the scientific knowledge base.

#### **Exhibit, educate and communicate**

Develops, maintains, and communicates exhibits, programs and activities to further knowledge, critical understanding, appreciation and respect for human cultural achievements and human behaviour.

#### **Accommodation**

Managing and maintaining all facilities and related security and hosting services.

#### **Corporate management**

Governance, corporate management, audit and evaluation, fund raising, commercial activities, finance and administration, human resources and information systems.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

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### 1. Mission and mandate (continued)

#### Travel, hospitality, conference and event expenditures

In July 2015, the Corporation, 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 Corporation's next corporate plan.

The Corporation has aligned its policies and practices to the Treasury Board instruments and reported on this directive in the 2015-16 corporate plan.

### 2. 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 guaranteed investment certificates 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, guaranteed investment certificates 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 (MAV) using a discounted cash flow, using market assumptions. All other financial assets in the fair value category are valued using quoted prices for similar assets or valued using observable market data. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are expensed.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

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### 2. Significant accounting policies (continued)

(a) Financial assets and financial liabilities (continued)

Accounts receivable, 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.

(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) Collections

The artifact collections form the largest part of the assets of the Corporation and are 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 collections of the Corporation are recorded as an expense in the year of acquisition.

(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.

Permanent exhibits represent costs that are directly attributable to the exhibit and meet the definition of a capital asset. They may include employee salaries and benefits, professional service fees, permanent exhibit and building structures as well as images and copyright.

Work in progress represents the costs incurred to date on a capital project that is incomplete and not in use, or for system implementations, when the system is not in production at the end of an accounting period. Incomplete capital projects are not amortized.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

### 2. Significant accounting policies (continued)

#### (e) Capital assets (continued)

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
Permanent exhibits	10 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 March 31. Realized gains and losses resulting from foreign currency translation are reported on the Statement of Operations.

#### (g) Employee future benefits

##### (i) Pension benefits

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 year when employees have rendered service and represent the total pension obligation of the Corporation.

##### (ii) Sick leave, severance and post-retirement 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.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

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### 2. Significant accounting policies (continued)

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

##### (ii) Sick leave, severance and post-retirement benefits (continued)

Eligible employees were entitled to severance benefits, as provided for under labour contracts and conditions of employment. The cost of these benefits was accrued as the employees rendered the services necessary to earn them. Since April 1, 2013 employees no longer accumulate severance benefits upon resignation or retirement. Consequently, eligible employees were given the choice to receive their severance benefit payment immediately, defer the payment until retirement or a combination of the two options, based on their continuous years of service with the Corporation as of March 31, 2013. The severance benefit liability represents the portion that employees chose to defer.

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 estimates of future costs and events. 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 benefits.

#### (h) Revenue recognition

##### (i) Museum operations

Revenues from Museum operations include the sale of general admissions and programmes, facility rentals, events and concessions, boutique sales, parking, giant screen theatre, travelling exhibits, memberships and other revenues. They are recognized in the year in which the sale of goods is completed or the services are provided.

##### (ii) Interest on cash and investments

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

##### (iii) Cash donations, sponsorships and contributions

Unrestricted donations, sponsorships and 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.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

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### 2. Significant accounting policies (continued)

(h) Revenue recognition (continued)

(iii) Cash donations, sponsorships and contributions (continued)

Externally restricted donations, sponsorships and contributions are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the year in which the related obligations are fulfilled and the related expenses are recognized. Restricted investment income is recognized as revenue in the year that the related expenses are recognized.

Contributions which are externally or internally 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.

(iv) In-kind sponsorships and artifact donations

Revenues and offsetting expenses from goods and services received in-kind are recorded at fair value upon receipt. Artifact donations are recorded as revenue at fair 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 value has been assigned to the artifact donation. The recording of artifact donations results in an offsetting expense to collection acquisitions.

(v) Volunteer services

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

(vi) Parliamentary appropriations

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

Parliamentary appropriations which are externally 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.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

### 2. Significant accounting policies (continued)

#### (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, an estimated liability is accrued and an expense recorded in the Corporation's financial statements.

#### (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 year. Employee future benefits, contingent liabilities, valuation of Master Asset Vehicle notes, artifact donations 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.

### 3. Restatement – payments in lieu of property taxes

In the current year, the Corporation reviewed its accounting treatment for payments in lieu of property taxes. This review concluded the requirement to recognize a prepaid expense in the 2015 comparative year in order to not understate the Corporation's assets.

While there was no impact on the net results of operations, the financial statements for the year ended March 31, 2015 have been restated as follows:

	2015 Restated	Adjustments: Payments in lieu of property taxes	2015 As previously stated
<b>Statement of Financial Position</b>			
Prepaid expenses	\$ 2,859	\$ 2,332	\$ 527
Unrestricted net assets	21,053	2,332	18,721
<b>Statement of Changes in Net Assets</b>			
Net assets, beginning of year	65,557	2,332	63,225

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 4. Restricted cash and investments

Restricted assets reflect the Corporation's practice to designate assets required for future obligations, as follows:

	2016	2015
Deferred contributions from non-government sources (note 9)	\$ 3,334	\$ 3,264
Deferred contributions - National Collection Fund (note 10)	10,670	10,759
	<b>\$ 14,004</b>	<b>\$ 14,023</b>

Restricted cash and investments consist of the following:

Fair value	2016	2015
Cash	\$ 1,842	\$ 1,129
Guaranteed investment certificates	2,400	1,000
Corporate and government bonds	9,762	11,894
	<b>\$ 14,004</b>	<b>\$ 14,023</b>

At March 31, 2016, the Corporation held guaranteed investment certificates and long-term bonds with a face value of \$11,660 (2015 - \$12,271), annual yield percentages ranging from 1.97% to 2.8% (2015 – 1.95% to 2.8%), and maturity dates ranging from November 8, 2016 to June 15, 2024 (2015 - October 16, 2015 to June 15, 2024).

Additional assets, included in cash and investments (note 5), totalling \$20,267 (2015 - \$11,976) are related to deferred parliamentary appropriations (notes 9 and 11).

#### 5. Investments

Fair value	2016	2015
Corporate and government bonds	\$ 34,043	\$ 38,045
Guaranteed investment certificates	8,900	4,000
Master Asset Vehicle notes	9,418	9,588
	52,361	51,633
Portion maturing in the next fiscal year	(2,732)	(7,384)
	<b>\$ 49,629</b>	<b>\$ 44,249</b>

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 5. Investments (continued)

##### (a) Bonds and guaranteed investment certificates

At March 31, 2016, the Corporation held corporate and government bonds and guaranteed investment certificates with a face value of \$40,346 (2015 - \$38,770), annual yield percentages ranging from 1.78% to 4.1% (2015 - 1.5% to 4.1%), and maturity dates ranging from June 1, 2016 to March 15, 2025 (2015 - June 1, 2015 to March 15, 2025).

An unrealized loss on investments of \$657 (2015 – unrealized gain of \$1,507) was included in the Statement of Remeasurement Gains and Losses. A loss of \$204 (2015 - \$115) was reclassified to the Statement of Operations from the Statement of Remeasurement Gains and Losses.

##### (b) Master Asset Vehicle Notes

At March 31, 2016 the Corporation held the following Master Asset Vehicle (MAV II and MAV II IA) notes:

Face value	2016	2015
<u>MAV II Notes</u>		
Class A-1	\$ 6,653	\$ 6,653
Class A-2	2,574	2,574
Class B	467	467
Class C	300	300
<u>MAV II IA Notes</u>		
Other Classes	751	918
	\$ 10,745	\$ 10,912

At March 31, 2016 the MAV II and MAV II IA notes were recorded at their estimated fair value of \$9,418 (2015 - \$9,588). The variance of \$170 (2015 - \$23) is comprised of principal repayments of \$167 (2015 - \$53), an unrealized loss on investments of \$120 (2015 - \$76 unrealized gain) included in the Statement of Remeasurement Gains and Losses and a realized gain on investments of \$117 (2015 - \$0).

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 5. Investments (continued)

##### (b) Master Asset Vehicle Notes (continued)

The assumptions used in the discounted cash flow valuation model include:

Criteria	2016	2015
	Assumptions	
<u>MAV II Notes</u>		
Expected term to maturity	0.78 years	1.78 years
Discount rates	7.85%, 10.87%, 16.55% and 68.31% for the A1, A2, B and C notes	2.51%, 4.35%, 4.10% and 10.58% for the A1, A2, B and C notes
Coupon rates	A1 and A2 notes: 3 month BA rate less 50 basis points	A1 and A2 notes: 3 month BA rate less 50 basis points
<u>MAV II IA Notes</u>		
Expected term to maturity	20.93 years	21.93 years
Discount rate	9.58%	10.96%
Coupon rate	3 month BA rate plus 50 basis points	3 month BA rate plus 50 basis points

Since the fair values of the MAV II and MAV II IA notes are determined using the foregoing assumptions and are based on the Corporation's assessment of market conditions as at March 31, 2016 the fair values reported may change materially in subsequent periods which would have a direct impact on the amounts recorded in the Statement of Remeasurement Gains and Losses. A 1.0% increase in the discount rate will decrease the fair value of the MAV II and MAV II IA notes by approximately \$92 (2015 - \$184).

Further information on the fair value measurement of the Corporation's investments can be found in note 19(d).

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

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### 6. Collections

The Corporation maintains the material culture collections of artifacts, objects, specimens and their related information. These collections are developed by various research areas within the Corporation. The collections are divided into the following seven discipline-related groups:

**Ethnology** - ethnographic and fine art collections principally related to North American First Peoples in post-European contact

**Folk Culture** - folk culture and fine craft collections illustrating the diversity of cultural influences on Canadian culture

**History** - collections which illustrate the experience of the common person as well as famous Canadians

**Canadian Children's Museum** - collections which emphasize intercultural understanding and experience, as well as supporting a rich animation programme

**Living History** - collection of properties, costumes and didactic resources which are used by animators, educators and other staff to promote and enliven the Museum's programming

**Canadian War Museum** - collections of weapons and technological artifacts illustrating the development of military technologies, dress and insignia collections of uniforms, medals, accoutrements and regalia of the Canadian Armed Forces and its allies, and war art collections of paintings, drawings, prints and sculptures from the Canadian War Artist programmes and modern art works illustrating Canadian Peacekeeping efforts

**Archaeology** - archaeological collections of material culture, physical anthropology, flora and fauna recovered from dig sites and principally illustrating indigenous North American culture prior to European contact.

During the fiscal year ended March 31, 2016, the Corporation purchased \$1,186 (2015 - \$1,485), and acquired through donation \$1,786 (2015 - \$887), of items for this collection.

In the year, the Corporation acquired the Jim Stewart Decoy Collection valued at \$1,402. In 2015, the Corporation acquired the Terrence Peter Ryan Baffin Island Drawing Collection valued at \$997.

The Corporation did not record any revenues for the fiscal years ended March 31, 2016 or 2015 related to the sales of collection items.

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 7. Capital assets

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	\$ 40,868	\$ -	\$ 40,868	\$ 40,868
Buildings	356,909	193,513	163,396	172,319
Building improvements	87,923	68,592	19,331	21,463
Technical and informatics equipment	5,570	3,436	2,134	2,240
Office furniture and equipment	570	444	126	162
Motor vehicles	327	136	191	18
Permanent exhibits	439	143	296	340
Work in progress	16,054	-	16,054	6,083
	<b>\$ 508,660</b>	<b>\$ 266,264</b>	<b>\$ 242,396</b>	<b>\$ 243,493</b>

The current year amortization expense is \$14,362 (2015 - \$14,317). Most of the expense \$13,775 (2015 - \$13,444) is allocated to accommodation expenses as it relates to the actual amortization of buildings and building improvements. Cost and accumulated amortization at March 31, 2015 amount to \$525,603 and \$282,110 respectively.

During the year, out-of-use assets with an original book value of \$30,205 were removed from this schedule. These assets were fully amortized at March 31, 2016.

#### 8. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are as follows:

	2016	2015
Trade accounts payable	\$ 7,109	\$ 7,151
Government departments, agencies and crown corporations	10,776	7,361
Accrued salaries and benefits	2,995	2,028
Current portion of employee future benefits (note 12)	190	251
	<b>\$ 21,070</b>	<b>\$ 16,791</b>

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 9. Deferred contributions

Deferred contributions represent contributions from non-government sources and Parliamentary appropriations received by the Corporation that are restricted for specific purposes.

Changes in the deferred contributions balance during the fiscal year were as follows:

	Deferred contributions from non- government sources	Deferred Parliamentary appropriations (note 4)	2016	2015
Balance, beginning of year	\$ 3,264	\$ 3,453	\$ 6,717	\$ 3,125
Additions:				
Restricted contributions received from non-government sources	703	-	703	1,082
Restricted Parliamentary appropriations received (note 15)	-	2,281	2,281	3,216
Deferred investment income	62	-	62	45
	765	2,281	3,046	4,343
Deductions:				
Amounts recognized as revenue	(695)	(1,298)	(1,993)	(751)
Balance, end of year	\$ 3,334	\$ 4,436	\$ 7,770	\$ 6,717

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 10. National Collection Fund:

The National Collection Fund represents funds for the acquisition of artifacts by the Canadian Museum of History and the Canadian War Museum. Funds are removed from the National Collection Fund upon acquisition of selected artifacts.

Changes in the National Collection Fund balance during the fiscal year were as follows:

	Deferred Parliamentary appropriations	Contributions from non- government entities	2016	2015
Balance, beginning of year	\$ 8,920	\$ 1,839	\$ 10,759	\$ 10,417
Additions:				
Contributions from non-government sources received in the year	-	2	2	39
Deferred realized investment income	236	32	268	292
Unrealized gain (loss) on investments	(165)	-	(165)	255
Realized gain (loss) on investments	43	-	43	-
	114	34	148	586
Deductions:				
Amounts recognized as revenue	-	(237)	(237)	(244)
Balance, end of year	\$ 9,034	\$ 1,636	\$ 10,670	\$ 10,759

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

### 11. Deferred contributions related to capital assets

Changes in the deferred contributions related to capital assets balance during the fiscal year were as follows:

	<u>Used</u>	<u>Used</u>	<u>To be used</u>		
	Deferred capital contributions from non- government sources	Deferred capital funding through Parliamentary appropriations	Deferred capital funding through Parliamentary appropriations (note 4)	2016	2015
Balance, beginning of year	\$ 1,972	\$ 200,452	\$ 8,523	\$ 210,947	\$ 217,841
Additions:					
Capital asset acquisitions	-	13,278	-	13,278	5,040
Funded by prior year Parliamentary appropriations	-	-	(3,390)	(3,390)	(1,029)
Funded by current Parliamentary appropriations	-	13,278	(3,390)	9,888	4,011
Parliamentary appropriations deferred for capital asset acquisitions in future periods	-	-	10,698	10,698	3,412
Parliamentary appropriations (note 15)	-	13,278	7,308	20,586	7,423
Less amounts recognized as revenue:					
Deferred capital contributions	(66)	-	-	(66)	(65)
Parliamentary appropriations (note 15)	-	(14,296)	-	(14,296)	(14,252)
	(66)	(14,296)	-	(14,362)	(14,317)
Balance, end of year	\$ 1,906	\$ 199,434	\$ 15,831	\$ 217,171	\$ 210,947

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 11. Deferred contributions related to capital assets (continued)

Deferred capital contributions from non-government sources represent the unamortized portion of donations from non-government sources restricted and used to acquire depreciable capital assets.

Deferred capital funding through Parliamentary appropriations represents the unamortized portion of Parliamentary appropriations restricted and used to acquire depreciable capital assets or restricted to be used for future acquisitions of depreciable capital assets.

#### 12. Employee future benefits

Information, measured as at the Statement of Financial Position date, is as follows:

	Other post- retirement benefits	Accumulated sick leave benefit liability	Severance benefits	2016	2015
Balance, beginning of year	\$ 4,792	\$ 269	\$ 644	\$ 5,705	\$ 5,569
Expense for the year	536	214	63	813	418
Benefit usage and benefit payments	(142)	(209)	(135)	(486)	(282)
Balance, end of year	5,186	274	572	6,032	5,705
Less: current portion	-	-	(190)	(190)	(251)
Long-term portion	\$ 5,186	\$ 274	\$ 382	\$ 5,842	\$ 5,454

##### (a) Other post-retirement benefits

On July 1, 2006, the Corporation introduced defined benefit post-retirement health care and dental benefit plans for eligible employees. The cost of this plan is charged to income as benefits are earned by employees on the basis of service rendered. The plans are unfunded resulting in a plan deficit equal to 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 12.4 years.

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 12. Employee future benefits (continued)

(b) Accumulated sick leave benefit liability

The cost of the accrued benefit obligations related to sick leave entitlement earned by employees is actuarially determined using the projected benefit 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 12.4 years.

(c) Severance benefits

Since April 1, 2013 employees no longer accumulate severance benefits upon resignation or retirement. Employees were given the choice to receive their severance benefit payment immediately, defer the payment until retirement or a combination of the two options, based on their continuous years of service with the Corporation as of March 31, 2013. The severance benefit liability represents the portion that employees chose to defer. This benefit is unfunded and thus has no assets, resulting in a deficit equal to the accrued benefit obligation. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these severance benefits which is 8.0 years.

(d) Accrued benefit obligation

The most recent actuarial valuation for other post-retirement benefits, sick leave and severance benefits was completed by an independent actuary as at March 31, 2016. The Corporation measures its accrued benefit obligation for accounting purposes as at March 31 of each year.

A reconciliation of the accrued benefit obligation and liability is as follows:

	2016	2015
Accrued benefit obligation, beginning of year	\$ 7,636	\$ 5,835
Current service cost	498	222
Interest costs	142	161
Actuarial loss	18	1,700
Benefits paid	(487)	(282)
Accrued benefit obligation, end of year	7,807	7,636
Unamortized actuarial losses	(1,775)	(1,931)
Accrued benefit liability, end of year	6,032	5,705
Less: current portion of employee future benefits (note 8)	(190)	(251)
	\$ 5,842	\$ 5,454

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 12. Employee future benefits (continued)

##### (d) Accrued benefit obligation (continued)

The significant actuarial assumptions used are as follows:

	2016	2015
Discount rate used to determine accrued benefit obligation:		
Post-retirement benefits	2.03%	1.95%
Severance and sick leave benefits	1.33%	1.40%
Inflation	2.0%	2.0%
Rate of increase in dental benefit costs	8% every 4 years	8% every 4 years
Rate of increase in health care benefit costs	8% every 4 years	8% every 4 years
Real wage increase	1% for the first 10 years	1% for the first 10 years

##### (e) 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. The Government of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The required employer contribution rate is dependent on the employee's employment start date. For employment start dates before January 1, 2013, the Corporation's contribution rate effective at year end was 1.15 times the employee's contribution (2015 – 1.28); and for employment start dates after December 31, 2012, the Corporation's contribution rate effective at year end was 1.11 times the employee's contribution (2015 – 1.28).

The Museum's and employees' contributions to the Plan for the year were as follows:

	2016	2015
Corporation's contributions	\$ 3,192	\$ 3,208
Employees' contributions	2,462	2,086

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 12. Employee future benefits (continued)

##### (e) Pension benefits (continued)

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 2 percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada / Québec Pension Plan benefits and they are indexed to inflation.

#### 13. Donations and sponsorships

Donations and sponsorships revenue is composed of:

	2016	2015
Cash donations and sponsorships	\$ 1,209	\$ 1,120
In-kind sponsorships and artifact donations	1,814	970
	<b>\$ 3,023</b>	<b>\$ 2,090</b>

#### 14. Net investment income

Net investment income is composed of:

	2016	2015
Interest	\$ 1,503	\$ 1,448
Loss on investments	(108)	(131)
	<b>\$ 1,395</b>	<b>\$ 1,317</b>

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 15. Parliamentary appropriations

Parliamentary appropriations recognized as revenue:

	2016	2015
Main Estimates amount provided for operating and capital expenses	\$ 83,369	\$ 63,430
Supplementary estimates and transfers	217	5,494
<b>Total Parliamentary appropriations approved in year</b>	<b>83,586</b>	<b>68,924</b>
Less current year Parliamentary appropriations not recognized as revenue:		
Restricted for capital asset acquisitions (note 11)	(20,586)	(7,423)
Restricted for specific purposes (note 9)	(2,281)	(3,216)
Add prior year Parliamentary appropriations recognized as revenue in current year:		
Amortization of deferred capital funding (note 11)	14,296	14,252
Restricted amounts used in current year (note 9)	1,298	296
<b>Parliamentary appropriations recognized as revenue</b>	<b>\$ 76,313</b>	<b>\$ 72,833</b>

#### 16. Related party transactions

The Corporation is related to all Government of Canada departments, agencies and Crown corporations. The Corporation enters into transactions with these entities in the normal course of business. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. During the year, the Corporation incurred expenses totalling \$14,633 (2015 - \$14,056) primarily related to payments in lieu of property taxes and employer contributions to employee benefits. The Museum recorded operations revenue of \$473 (2015 - \$241) with related parties.

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 16. Related party transactions (continued)

As at March 31, the Corporation had the following balances on the statement of financial position related to transactions with this category of related party:

	2016	2015
Appropriations receivable	\$ 218	\$ 95
Refundable taxes	552	557
Other receivables	96	4
Accounts payable and accrued liabilities	10,776	7,361
Deferred revenues	159	250

#### Greek Consortium:

In 2015, the Corporation entered into a consortium agreement, with other collaborating partners, related to the production and display of the *"The Greeks – Agamemnon to Alexander the Great"* exhibition. Based upon the Corporation's joint control relationship with the Consortium this agreement would meet the definition of a related party transaction for the Corporation.

As at March 31, 2016, cash administered by the Corporation on behalf of the Consortium was \$441 (2015 - \$428). The proportionate amount of the Consortium's assets due to the Corporation at period end was \$105 (2015 - \$50).

#### 17. Contingencies

No amount has been included in the Statement of Financial Position for contingent liabilities.

#### 18. Contractual obligations

As at March 31, 2016, the Corporation has entered into agreements which include informatics, building operations and maintenance, security and point-of-sale outsource services. The future minimum annual payments are as follows:

2016-17	\$ 23,312
2017-18	7,505
2018-19	4,923
2019-20	3,795
2020-21	1,187
2021 +	230
	\$ 40,952

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

### 19. Financial risk management

The Corporation has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board of Trustees ensures that the Corporation has identified its major risks and developed responses to mitigate their impact. The Audit Committee oversees the Corporation's systems and practices of internal control, and ensures that these controls contribute to the assessment and mitigation of risk. The Audit Committee reports regularly to the Board of Trustees on its activities.

#### (a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the Corporation consisting of accounts receivable, cash, restricted cash, restricted cash and investments, Master Asset Vehicle notes and long-term investments.

The maximum exposure to credit risk of the Corporation at March 31, 2016 is the carrying value of these assets.

#### (i) Accounts receivable

The Corporation's exposure to credit risk associated with accounts receivable is assessed as being low mainly due to the demographics of the Corporation's debtors, including the type of debtor and the country in which the debtor operates.

The maximum exposure to credit risk for accounts receivable by type of customer as at March 31 is as follows:

	2016	2015
Government of Canada	\$ 873	\$ 656
Other governments	738	499
Consumers	187	343
	1,798	1,498
Financial institutions	272	271
	\$ 2,070	\$ 1,769

The Corporation seeks to reduce its credit exposure by performing credit checks on customers in advance of providing credit and obtaining deposits or prepayments where deemed appropriate.

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 19. Financial risk management (continued)

##### (a) Credit risk (continued)

##### (i) Accounts receivable (continued)

The Corporation establishes an allowance for doubtful accounts that reflects the estimated impairment of accounts receivable and is based on specific accounts considering the Corporation's knowledge of the financial condition of its customers, the aging of accounts receivable, and other applicable factors. Accounts receivable from governments comprise more than 90% (2015 - 77%) of the Corporation's accounts receivable, and no allowance has been provided for related to these amounts.

An aging of accounts receivable is as follows:

	2016	2015
Less than 30 days past billing date	\$ 1,258	\$ 1,146
30 to 60 days past billing date	291	141
61 to 90 days past billing date	241	184
Greater than 90 days past billing date	8	27
	1,798	1,498
Interest receivable	272	271
	\$ 2,070	\$ 1,769

##### (ii) Cash, investments and restricted cash and investments

The Corporation manages its credit risk surrounding cash, restricted cash and investments, Master Asset Vehicle notes and long-term investments by dealing solely with reputable banks and financial institutions, and utilizing an investment policy to guide their investment decisions. The Corporation invests surplus funds to earn investment income with the objective of maintaining safety of principal and providing adequate liquidity to meet cash flow requirements.

Credit risk is minimized substantially by ensuring that assets are invested in instruments that are securities of or guaranteed by the Canadian federal and provincial governments and Canadian Schedule 1 Banks.

##### (b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Corporation is not subject to significant price risk.

# CANADIAN MUSEUM OF HISTORY

## Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

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### 19. Financial risk management (continued)

#### (b) Market risk (continued)

##### (i) Currency risk

The Corporation operates primarily within Canada, but in the normal course of operations is party to exchange of exhibits and collections on an international basis, as well as holding cash and investments denominated in foreign currencies. Foreign exchange risk arises from exhibit and collection related transactions denominated in a currency other than the Canadian dollar, which is the functional currency of the Corporation. The currencies in which these transactions primarily are denominated are the Canadian dollar, the US dollar and the Euro.

The Corporation believes that it is not subject to significant foreign exchange risk from its financial instruments due to relatively low frequency and dollar value of foreign currency denominated transactions.

##### (ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates.

Financial assets and financial liabilities with variable interest rates expose the Corporation to cash flow interest rate risk. The Corporation's investments include both fixed rate bonds and floating rate notes.

Although management monitors exposure to interest rate fluctuations, it does not employ any interest rate management policies to counteract interest rate fluctuations.

As at March 31, 2016 had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, the Corporation's financial instruments would have decreased or increased by a net amount of approximately \$2,473 (2015 - \$2,338), approximately 3.83% of the fair value of investments (2015 – 3.62%).

#### (c) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due.

The Corporation manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing, capital and financing activities.

All of the Corporation's financial liabilities have contractual maturities of less than 365 days.

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 19. Financial risk management (continued)

##### (d) Fair value of financial instruments

The following tables summarize information on the fair value hierarchy of the Corporation's assets as of March 31. 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:

- Level 1 – Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets and liabilities.
- 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.
- 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.

Transfers are made between the various fair value hierarchy levels due to changes in the availability of quoted market prices or observable market inputs due to changing market conditions. During the year, however, certain investments were reclassified from Level 1 to Level 2. As a result of the reclassification, the presentation of the fair value of these investments in the comparative figures as at March 31, 2015 was reviewed to conform to the current year presentation.

Investments	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	2016 Total
Bonds	\$ -	\$ 43,805	\$ -	\$ 43,805
Guaranteed investment certificates	11,300	-	-	11,300
MAV II and MAV II IA notes	-	9,218	200	9,418
<b>Total</b>	<b>\$ 11,300</b>	<b>\$ 53,023</b>	<b>\$ 200</b>	<b>\$ 64,523</b>

## CANADIAN MUSEUM OF HISTORY

### Notes to the Financial Statements

Year ended March 31, 2016

(In thousands of dollars)

#### 19. Financial risk management (continued)

(d) Fair value of financial instruments (continued)

Investments	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	2015 Total
Bonds	\$ -	\$ 49,939	\$ -	\$ 49,939
Guaranteed investment certificates	5,000	-	-	5,000
MAV II and MAV II IA notes	-	9,372	216	9,588
<b>Total</b>	<b>\$ 5,000</b>	<b>\$ 59,311</b>	<b>\$ 216</b>	<b>\$ 64,527</b>

There is a significant amount of uncertainty in estimating the amount and timing of cash flows associated with MAV II and MAV II IA. The Corporation estimates the fair value of its MAV II using Level 2 and 3 hierarchy inputs by discounting expected future cash flows considering the best available data at March 31, 2016. In 2015 and 2016, MAV II notes under classes A1, A2, B and C were at Level 2 and the MAV II IA notes were at Level 3. There were no purchases, sales or issues during the year.

A reconciliation of all changes in Level 3 financial instruments is as follows:

MAV II IA notes	2016	2015
Balance, beginning of year	\$ 216	\$ 219
Principal repayments	(167)	(53)
Unrealized gain	34	50
Realized gain	117	-
<b>Balance, end of year</b>	<b>\$ 200</b>	<b>\$ 216</b>

#### 20. Comparative figures

Certain comparative figures in the Statement of Cash Flows have been adjusted as follows: cash receipts from Parliamentary appropriations were decreased by \$3,412 while Parliamentary appropriations for the acquisition of capital assets were increased by the same amount in order to report restricted parliamentary appropriations received for the acquisition of capital assets in Financing activities. Other comparative figures have been reclassified to conform to the presentation adopted in the current year.

## CANADIAN MUSEUM OF HISTORY

### Schedule 1 - Operating Revenues

Year ended March 31, 2016

(In thousands of dollars)

	2016	2015
General admission and programmes	\$ 6,257	\$ 4,916
Facility rental, events and concessions	2,449	2,452
Boutique sales	2,086	1,923
Parking	1,982	1,694
Giant screen theatre	1,004	1,165
Memberships	307	265
Travelling exhibits	276	390
Other	210	378
	<b>\$ 14,571</b>	<b>\$ 13,183</b>

### Schedule 2 - Expenses

Year ended March 31, 2016

(In thousands of dollars)

	2016	2015
Personnel costs	\$ 34,978	\$ 33,547
Amortization of capital assets	14,362	14,317
Payments in lieu of property taxes	9,987	9,560
Building operations	5,681	6,852
Exhibit fabrication and rental	3,666	3,569
Online programs assistance	3,382	1,422
Professional and special services	3,359	3,785
Collection acquisitions (note 6)	2,972	2,372
Utilities	2,910	2,895
Repairs and maintenance	2,799	2,872
IT infrastructure and systems	2,214	2,507
Marketing and advertising	1,584	1,757
Materials and supplies	1,438	1,522
Cost of goods sold	1,087	1,130
Travel and hospitality	881	939
Rentals and leases	348	213
Royalties	248	305
Other	656	628
	<b>\$ 92,552</b>	<b>\$ 90,192</b>

# PHOTO CREDITS

## CANADIAN MUSEUM OF HISTORY

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original ink and colored felt tip drawing,  
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Robert Harris, sketch for *The Meeting of the  
Delegates of British North America to Settle  
the Terms of Confederation, Québec City,  
October 1864, 1883*

p. 20 Courtesy of the AWM / CO1157

p. 29 **(left)** *The Toronto Sun*, July 10, 1980 /  
Shane Harvey

p. 37 **(bottom)** Archaeological Museum of Pella /  
Alexander as Pan, marble, Pella, late 4th or early  
3rd century BCE