

CANADIAN MUSEUM OF HISTORY

Quarterly Financial Statements

For the six-month period ended September 30, 2025

Unaudited

NARRATIVE DISCUSSION

These quarterly financial statements must be read in conjunction with the March 31, 2025, audited financial statements of the Canadian Museum of History (CMH) and with this narrative discussion.

OVERVIEW

The Corporation is committed to sustaining a strong financial and operational foundation for the delivery of quality museum programs and services. Responding to the Strategic Directions 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.

The Canadian tourism market shows signs of stabilizing in 2025, with increased attendance from U.S., Mexican, and European visitors, supported by new direct flights from London and Paris. However, recovery in Asia-Pacific markets remains slow. The Museum continues to develop targeted marketing strategies to attract international visitors while enhancing domestic engagement to ensure sustained attendance. The Canada Strong Pass, announced by the new Liberal government, does seem to have had an impact on museum attendance.

STRATEGIC DIRECTIONS

In 2022, the Corporation's Board of Trustees unveiled five Strategic Directions, building on the previous ones, and maintaining their overall intent. A detailed set of goals and objectives addresses each direction. The Corporation's five Strategic Directions are as follows:

1. Engage people from across Canada in diverse histories and stories.
2. Foster an innovative workforce culture that promotes equity, respect, and a sense of belonging.
3. Advance reconciliation and strengthen our commitment to recognizing the rights of Indigenous Peoples.
4. Build organizational resilience through sustainable practices.
5. Leverage technology to drive innovation and deepen access to Museum activities.

STATEMENT OF OPERATIONS

The Corporation's net results of operations for the six-month period ended September 30, 2025, reflects a deficit of \$2.4 million, compared to a surplus of \$1.1 million for the comparative period of the previous fiscal year.

Parliamentary appropriations for the period total \$44.0 million, compared to \$45.5 million for the same period in the previous fiscal year. Budget 2023 had provided temporary funding of \$5.1 million for 2023–2024 and 2024–2025.

Revenues for the six-month period total \$12.3 million, compared to \$11.7 million for the same period of the previous fiscal year, an increase of \$0.6 million. Operating revenue results for the current period are higher when compared to the prior fiscal year, as a result of higher attendance levels.

Operating expenses for the six-month period total \$58.7 million, compared to \$56.1 million for the same period of the previous fiscal year, an increase of \$2.6 million. This is mostly explained by the increase in salary costs and the implementation costs for the new Human Resources Information System.

STATEMENT OF FINANCIAL POSITION

The Museum's unrestricted net assets as of September 30, 2025, represent \$6.3 million. They were \$8.7 million as of March 31, 2025.

To date, the Museum's restricted net assets totaling \$20 million are for the renewal of permanent exhibition galleries, including the Canadian Children's Museum Renewal project. In 2017–2018, an upgrade to a permanent gallery was completed at the Canadian War Museum.

OUTLOOK

Current economic uncertainties, including inflation and soft growth, impact museum operations and attendance. Wage pressures and labor shortages present further challenges, while rising living costs affect discretionary spending on arts and culture. The Museum continues to explore new revenue and funding models and partnerships to navigate these economic pressures and uncertainties effectively.

The Museum receives an annual base capital funding of \$2.5 million in 2025–2026. This base funding remains below the level necessary to keep two aging buildings in good condition and to address the requirements associated with the IT and security infrastructure. The Corporation will continue to work with the Department of Canadian Heritage on a long-term solution to address operating challenges such as escalating non-discretionary costs and the need to address critical capital projects.

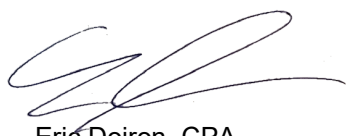
STATEMENT OF MANAGEMENT RESPONSIBILITY

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

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



Caroline Dromaguet
President and Chief Executive Officer



Eric Doiron, CPA
Chief Financial Officer and Vice-President of Finance, Infrastructure and Visitor Services

Gatineau, Quebec

November 20, 2025

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Financial Position

As at September 30

(In thousands of dollars)

	September 30, 2025	March 31, 2025
Assets		
Current assets		
Cash	\$ 796	\$ 7,067
Restricted cash and investments	3,644	3,393
Investments	7,074	8,118
Accounts receivable	3,761	3,184
Inventories	630	662
Prepaid expenses	1,743	1,372
	17,648	23,796
Restricted investments	14,593	14,409
Investments	78,213	86,018
Collections	1	1
Capital assets	174,958	178,258
	\$ 285,413	\$ 302,482
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities	\$ 13,710	\$ 20,655
Deferred contributions (note 3)	21,766	23,164
Unearned revenues	691	732
	36,167	44,551
Deferred contributions - National Collection Fund (note 4)	12,143	11,893
Deferred contributions related to capital assets (note 5)	146,506	153,464
Employee future benefits	18,760	18,107
Asset retirement obligations	4,379	4,385
	217,955	232,400
Net assets		
Unrestricted	6,337	8,707
Restricted for permanent exhibit renewal	19,599	19,621
Investment in capital assets	40,868	40,868
Accumulated remeasurement gains	654	886
	67,458	70,082
	\$ 285,413	\$ 302,482

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

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Operations

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

(In thousands of dollars)

	Three-month period ended September 30		Six-month period ended September 30	
	2025	2024	2025	2024
Revenues				
Donations and sponsorships (note 6)	\$ 384	\$ 418	\$ 833	\$ 890
Interest income	1,018	1,233	2,197	2,298
Operating (schedule 1)	4,976	4,670	9,249	8,506
	6,378	6,321	12,279	11,694
Expenses (schedule 2)				
Collect and research	\$ 3,623	\$ 4,037	\$ 7,764	\$ 7,833
Exhibit, educate and communicate	7,998	7,110	15,296	15,030
Accommodation	10,892	10,533	22,038	21,504
Corporate management	6,647	5,875	13,595	11,737
	29,160	27,555	58,693	56,104
Net result of operations before parliamentary appropriations	(22,782)	(21,234)	(46,414)	(44,410)
Parliamentary appropriations (note 7)	23,776	24,433	44,022	45,468
Net result of operations	\$ 994	\$ 3,199	\$ (2,392)	\$ 1,058

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

Statement of Remeasurement Gains and Losses

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

(In thousands of dollars)

	Three-month period ended September 30		Six-month period ended September 30	
	2025	2024	2025	2024
Accumulated remeasurement gains, beginning of period	\$ 621	\$ 290	\$ 886	\$ 238
Unrealized gains (losses) attributed to investments	(52)	443	87	716
Amounts reclassified to the Statement of Operations - investments	85	93	(319)	(128)
Net change in accumulated remeasurement gains (losses) for the period	33	536	(232)	588
Accumulated remeasurement gains, end of period	\$ 654	\$ 826	\$ 654	\$ 826

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

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Changes in Net Assets

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

(In thousands of dollars)

For the three-month period ended	Unrestricted	Restricted for permanent exhibit renewal	Investment in capital assets	Accumulated remeasurement gains	September 30 2025	September 30 2024
Net assets, beginning of period	\$ 5,332	\$ 19,610	\$ 40,868	\$ 621	\$ 66,431	\$ 66,386
Net result of operations	1,005	(11)	-	-	994	3,199
Net change in accumulated gains	-	-	-	33	33	536
Net assets, end of period	\$ 6,337	\$ 19,599	\$ 40,868	\$ 654	\$ 67,458	\$ 70,121

For the six-month period ended	Unrestricted	Restricted for permanent exhibit renewal	Investment in capital assets	Accumulated remeasurement gains (losses)	September 30 2025	September 30 2024
Net assets, beginning of period	\$ 8,707	\$ 19,621	\$ 40,868	\$ 886	\$ 70,082	\$ 68,475
Net result of operations	(2,370)	(22)	-	-	(2,392)	1,058
Net change in accumulated gains (losses)	-	-	-	(232)	(232)	588
Net assets, end of period	\$ 6,337	\$ 19,599	\$ 40,868	\$ 654	\$ 67,458	\$ 70,121

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

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Cash Flows

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

(In thousands of dollars)

	Three-month period ended September 30		Six month-period ended September 30	
	2025	2024	2025	2024
Operating activities				
Cash receipts from clients and other receivables	\$ 5,924	\$ 6,157	\$ 12,980	\$ 11,379
Cash receipts from parliamentary appropriations	15,930	13,973	30,452	30,518
Cash paid to and on behalf of employees	(11,343)	(17,542)	(24,431)	(28,123)
Cash paid to suppliers	(13,899)	(15,590)	(31,785)	(27,509)
Restricted contributions and related investment income	191	(828)	(489)	492
Interest received	96	664	1,105	1,850
Net cash through operating activities	(3,101)	(13,166)	(12,168)	(11,393)
Investing activities				
Increase in investments and restricted investments	(1,189)	(8,383)	(3,589)	(24,768)
Decrease in investments and restricted investments	1,199	6,615	12,809	24,446
Net cash through investing activities	10	(1,768)	9,220	(322)
Capital activities				
Acquisition of capital assets	(4,690)	(5,156)	(8,460)	(9,071)
Financing activities				
Parliamentary appropriations for the acquisition of capital assets	3,542	6,628	5,485	7,635
Decrease in cash and restricted cash	(4,239)	(13,462)	(5,923)	(13,151)
Cash and restricted cash, beginning of year				
Cash	5,225	14,370	7,067	15,211
Restricted cash	1,550	3,535	1,392	2,383
	6,775	17,905	8,459	17,594
Cash and restricted cash, end of period				
Cash	796	2,069	796	2,069
Restricted cash	1,740	2,374	1,740	2,374
	\$ 2,536	\$ 4,443	\$ 2,536	\$ 4,443

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

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Notes to the Financial Statements

For the six-month period ended September 30, 2025

(In thousands of dollars)

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, fundraising, commercial activities, finance and administration, human resources and information systems.

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Notes to the Financial Statements

For the six-month period ended September 30, 2025

(In thousands of dollars)

2. Significant accounting policies

Basis of accounting

These unaudited 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.

Basis of preparation

These interim financial statements are intended to provide an update on the latest complete set of audited annual financial statements for the year ended March 31, 2025. Accordingly, they should be read in conjunction with the audited annual financial statements. The interim financial statements are unaudited for all periods presented. The accounting policies used in the preparation of these interim condensed financial statements are consistent with those disclosed in the Corporation's last audited annual financial statements.

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.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards applicable for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the period. Employee future benefits, 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.

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Notes to the Financial Statements

For the six-month period ended September 30, 2025

(In thousands of dollars)

3. Deferred contributions

Deferred contributions represent contributions from non-government sources and Parliamentary appropriations received by the Corporation that are restricted for specific purposes and are deferred until spent on intended purpose.

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

		Non- government sources	Parliamentary appropriations	September 30, 2025 (6 months)	March 31, 2025 (12 months)
Balance, beginning of year	\$	6,069	\$ 17,095	\$ 23,164	\$ 24,002
Additions					
Amounts received during the period		125	-	125	2,754
Deferred investment income		128	-	128	296
		253	-	253	3,050
Deductions					
Amounts recognized as revenue		(491)	(1,160)	(1,651)	(3,888)
Balance, end of period	\$	5,831	\$ 15,935	\$ 21,766	\$ 23,164

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Notes to the Financial Statements

For the six-month period ended September 30, 2025

(In thousands of dollars)

4. Deferred contributions - 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 deducted from the National Collection Fund upon acquisition of selected artifacts.

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

	Parliamentary appropriations	Non- government entities	September 30, 2025 (6 months)	March 31, 2025 (12 months)
Balance, beginning of year	\$ 10,764	\$ 1,129	\$ 11,893	\$ 11,471
Additions				
Amounts received during the period	-	-	-	55
Deferred investment income	226	24	250	504
	226	24	250	559
Deductions				
Amounts recognized as revenue	-	-	-	(137)
Balance, end of period	\$ 10,990	\$ 1,153	\$ 12,143	\$ 11,893

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Notes to the Financial Statements

For the six-month period ended September 30, 2025

(In thousands of dollars)

5. Deferred contributions related to capital assets

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

	<u>Used for acquisitions</u>		<u>To be used for capital asset acquisitions</u>		September 30,	March 31,
	Non-government sources	Parliamentary appropriations	Parliamentary appropriations		2025 (6 months)	2025 (12 months)
Balance, beginning of year	\$ 1,313	\$ 133,698	\$ 18,453	\$ 153,464	\$ 166,878	
Additions						
Capital asset acquisitions	-	4,130	-	4,130	13,588	
Parliamentary appropriations deferred for capital asset acquisitions in future periods	-	-	-	-	-	
	-	4,130	-	4,130	13,588	
Deductions						
Amounts used during the period	(33)	(8,079)	(2,976)	(11,088)	(27,002)	
Balance, end of period	\$ 1,280	\$ 129,749	\$ 15,477	\$ 146,506	\$ 153,464	

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.

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Notes to the Financial Statements

For the six-month period ended September 30, 2025

(In thousands of dollars)

6. Donations and sponsorships

Donations and sponsorships revenue is composed of:

	September 30, 2025	September 30, 2024
Cash donations and sponsorships	\$ 773	\$ 843
In-kind sponsorships and artifact donations	60	47
	\$ 833	\$ 890

7. Parliamentary appropriations

The Corporation receives Parliamentary appropriations from the Government of Canada to support its operating and capital activities. The table below illustrates the Parliamentary appropriations received during the period, and the accounting adjustments required to arrive at the calculation of revenue that conforms to public sector accounting standards.

	September 30, 2025	September 30, 2024
Main Estimates amount provided for operating and capital activities	\$ 35,937	\$ 37,981
Less current period Parliamentary appropriations not recognized as revenue:		
Used for capital asset acquisitions	(1,154)	(1,095)
Add prior period Parliamentary appropriations recognized as revenue in current period:		
Amortization of deferred capital funding	8,079	7,912
Restricted amounts used in current period	1,160	670
Parliamentary appropriations recognized as revenue	\$ 44,022	\$ 45,468

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Schedule 1 - Operating Revenues

For the six-month period ended September 30
(In thousands of dollars)

	Three-month period ended September 30		Six-month period ended September 30	
	2025	2024	2025	2024
General admission and programs	\$ 2,612	\$ 2,511	\$ 4,810	\$ 4,311
Facility rentals, events and concessions	926	780	1,761	1,700
Boutique sales	672	640	1,202	1,149
Parking	600	557	1,145	1,008
Memberships	127	130	258	248
Travelling exhibits	21	30	41	40
Other	18	22	32	50
	\$ 4,976	\$ 4,670	\$ 9,249	\$ 8,506

Schedule 2 - Expenses

For the six-month period ended September 30
(In thousands of dollars)

	Three month-period ended September 30		Six month-period ended September 30	
	2025	2024	2025	2024
Personnel costs	\$ 12,372	\$ 12,231	\$ 27,013	\$ 25,141
Amortization of capital assets	4,054	3,978	8,134	7,950
Payments in lieu of property taxes	2,612	2,436	5,244	4,886
Building operations	2,524	1,973	4,540	4,294
Professional and special services	1,054	1,044	2,068	1,913
Online programs assistance	1,510	953	1,972	1,909
IT infrastructure and systems	1,044	441	1,828	1,099
Repairs and maintenance	859	998	1,823	1,908
Utilities	722	669	1,425	1,436
Exhibit fabrication and rental	438	646	1,192	1,566
Marketing and advertising	865	726	1,185	1,281
Cost of goods sold	342	347	704	609
Materials and supplies	226	383	453	652
Collection acquisitions	155	223	289	354
Travel and hospitality	96	184	269	532
Rentals and leases	72	74	161	133
Royalties	27	43	39	68
Other	188	206	354	373
	\$ 29,160	\$ 27,555	\$ 58,693	\$ 56,104