



Financial Statements

The Canadian Canoe Museum

December 31, 2021

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Independent Auditor's Report

Grant Thornton LLP
362 Queen Street
Peterborough, ON
K9H 3J6

T +1 705 743 5020
F +1 705 743 5081
www.GrantThornton.ca

To the Members of
The Canadian Canoe Museum

Opinion

We have audited the financial statements of The Canadian Canoe Museum (the "Museum"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Museum as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Museum in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Museum's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Museum or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Museum's financial reporting process.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Museum's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Museum's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Museum to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Peterborough, Canada
April 20, 2022

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants
Licensed Public Accountants

The Canadian Canoe Museum

Statement of Financial Position

December 31	Operating Fund	Capital Asset Fund	New Museum Fund	Total 2021	Total 2020
Assets					
Current					
Cash	\$ 777,971	\$ -	\$ 4,829,450	\$ 5,607,421	\$ 805,379
Interfund loans (Note 4)	14,657	-	(14,657)	-	-
Investments (Note 5)	286,657	-	962,510	1,249,167	2,432,791
Accounts receivable	24,032	-	233,771	257,803	99,377
Grants receivable	15,000	-	1,826,311	1,841,311	-
Inventory	60,490	-	-	60,490	53,056
Prepaid expenses	10,803	19,181	42,749	72,733	11,185
	1,189,610	19,181	7,880,134	9,088,925	3,401,788
Capital assets (Note 6)	-	2,062,814	-	2,062,814	2,140,553
Capital assets - new museum development costs (Note 6)	-	3,026,088	-	3,026,088	-
Artifacts	-	1,329,301	-	1,329,301	1,308,201
	<u>\$ 1,189,610</u>	<u>\$ 6,437,384</u>	<u>\$ 7,880,134</u>	<u>\$ 15,507,128</u>	<u>\$ 6,850,542</u>
Liabilities					
Current					
Accounts payable and accrued liabilities	\$ 55,096	\$ -	\$ 1,362,573	\$ 1,417,669	\$ 408,889
Deferred revenue (Note 7)	93,760	-	-	93,760	24,259
Loan payable (Note 8)	40,000	-	-	40,000	30,000
	188,856	-	1,362,573	1,551,429	463,148
Fund balances					
Unrestricted	1,000,754	-	-	1,000,754	959,157
Internally restricted - invested in capital assets	-	6,437,384	-	6,437,384	3,448,754
Internally restricted - other	-	-	591,806	591,806	585,185
Externally restricted	-	-	5,925,755	5,925,755	1,394,298
	<u>1,000,754</u>	<u>6,437,384</u>	<u>6,517,561</u>	<u>13,955,699</u>	<u>6,387,394</u>
	<u>\$ 1,189,610</u>	<u>\$ 6,437,384</u>	<u>\$ 7,880,134</u>	<u>\$ 15,507,128</u>	<u>\$ 6,850,542</u>

Commitments and contingencies (Note 12)

The Canadian Canoe Museum Statement of Changes in Fund Balances

Year ended December 31	Operating Fund	Internally Restricted - Invested in Capital Assets	Internally Restricted - Other	Externally Restricted	Total 2021	Total 2020
Balance, beginning of year	\$ 959,157	\$ 3,448,754	\$ 585,185	\$ 1,394,298	\$ 6,387,394	\$ 13,325,516
Excess (deficiency) of revenues over expenditures	49,067	(57,491)	-	7,576,729	7,568,305	(6,938,122)
Interfund transfers (Note 4)	<u>(7,470)</u>	<u>3,046,121</u>	<u>6,621</u>	<u>(3,045,272)</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 1,000,754</u>	<u>\$ 6,437,384</u>	<u>\$ 591,806</u>	<u>\$ 5,925,755</u>	<u>\$ 13,955,699</u>	<u>\$ 6,387,394</u>

See accompanying notes to the financial statements.

The Canadian Canoe Museum

Statement of Operations

Year ended December 31	Operating Fund	Capital Asset Fund	New Museum Fund	Total 2021	Total 2020
Revenues					
Donations and fundraising	\$ 204,315	\$ 21,100	\$ 5,187,069	\$ 5,412,484	\$ 648,554
Grants	200,960	-	3,651,311	3,852,271	303,035
Retail sales	103,756	-	-	103,756	69,016
Admissions	28,832	-	-	28,832	27,392
Membership	26,659	-	-	26,659	21,278
Course revenue	13,400	-	-	13,400	19,861
Interest income	7,225	-	-	7,225	37,777
Rental and event income	3,230	-	-	3,230	6,468
	<u>588,377</u>	<u>21,100</u>	<u>8,838,380</u>	<u>9,447,857</u>	<u>1,133,381</u>
Expenditures					
Pre-construction costs	-	-	1,485,660	1,485,660	492,670
Wages and contract staff	696,135	-	-	696,135	669,823
Operating and administration	156,619	-	171,780	328,399	241,433
Facilities	176,970	-	-	176,970	102,752
Retail cost of sales	59,381	-	-	59,381	51,956
Fundraising	957	-	15,019	15,976	145,245
Amortization	-	96,452	-	96,452	114,009
	<u>1,090,062</u>	<u>96,452</u>	<u>1,672,459</u>	<u>2,858,973</u>	<u>1,817,888</u>
Excess (deficiency) of revenues over expenditures before the undernoted	(501,685)	(75,352)	7,165,921	6,588,884	(684,507)
Other income (expenditures)					
Government assistance - COVID-19 (Note 9)	550,752	17,861	-	568,613	314,417
Recovery of pre-construction costs (Note 10)	-	-	410,808	410,808	-
Impairment of capital assets	-	-	-	-	(6,568,032)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,568,032)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 49,067</u>	<u>\$ (57,491)</u>	<u>\$ 7,576,729</u>	<u>\$ 7,568,305</u>	<u>\$ (6,938,122)</u>

See accompanying notes to the financial statements.

The Canadian Canoe Museum

Statement of Cash Flows

	Operating Fund	Capital Asset Fund	New Museum Fund	Total 2021	Total 2020
Year ended December 31					
Increase (decrease) in cash					
Operating					
Excess (deficiency) of revenues over expenditures	\$ 49,067	\$ (57,491)	\$ 7,576,729	\$ 7,568,305	\$ (6,938,122)
Item not affecting cash					
Amortization	-	96,452	-	96,452	114,009
Gifts-in-kind	(2,000)	(21,100)	-	(23,100)	(13,000)
Recovery of pre-construction costs	-	-	(410,808)	(410,808)	-
Pre-construction costs	-	-	142,599	142,599	-
Interfund transfers	11,240	(17,861)	6,621	-	-
Impairment of capital assets	-	-	-	-	6,568,034
	58,307	-	7,315,141	7,373,448	(269,079)
Change in non-cash working capital items					
Accounts receivable	33,653	-	(192,079)	(158,426)	8,517
Grants receivable	(15,000)	-	(1,826,311)	(1,841,311)	-
Inventory	(5,434)	-	-	(5,434)	5,713
Prepaid expenses	382	-	(42,749)	(42,367)	(4,121)
Accounts payable and accrued liabilities	5,979	-	1,082,438	1,088,417	(260,730)
Deferred revenue	69,501	-	-	69,501	(17,675)
Loan payable	10,000	-	-	10,000	30,000
	157,388	-	6,336,440	6,493,828	(507,375)
Investing					
Purchase of capital assets	(18,710)	-	(2,856,700)	(2,875,410)	(104,670)
Redemption (purchase) of investments	(604)	-	1,184,228	1,183,624	(34,481)
	(19,314)	-	(1,672,472)	(1,691,786)	(139,151)
Financing					
Interfund loan issuance (repayment)	177,604	-	(177,604)	-	-
Increase (decrease) in cash	315,678	-	4,486,364	4,802,042	(646,526)
Cash, beginning of year	462,293	-	343,086	805,379	1,451,905
Cash, end of year	\$ 777,971	\$ -	\$ 4,829,450	\$ 5,607,421	\$ 805,379

See accompanying notes to the financial statements.

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

1. Nature of entity

The Canadian Canoe Museum (the "Museum") is a registered charity serving the people of Canada and visitors from around the world. Its mission is to explore the canoe in its historical and cultural contexts.

The Museum was incorporated without share capital on February 22, 1991 and as such is prohibited from distributing any of its funds to, or for personal benefit of, its members. The Museum is registered as a charitable organization under the Federal and Ontario Income Tax Act (Canada) and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

Fund accounting

The operating fund accounts for the Museum's ongoing operating and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The new museum fund reports the assets, liabilities, revenues and expenditures related to the new museum development project, other than capital assets which are recorded in the capital asset fund.

The capital asset fund reports the assets, liabilities, revenues and expenditures related to the Museum's capital assets.

Investments

Investments which mature within twelve months of the fiscal year end are classified as short-term. The remainder of the investments are classified as long term.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method.

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

2. Summary of significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The Museum provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Buildings	10-40 years
Museum exhibits	10 years
Equipment and exhibit studio	10 years
Computer equipment	5 years
Vehicles	5 years

Capital assets are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs.

Artifacts

The Museum currently holds more than 600 canoes, kayaks and paddled watercraft. Items purchased for the collection are recorded at cost while contributed items are recorded at fair value. Due to the nature of the artifacts, and the Museum's obligation to preserve these assets in perpetuity, they are not subject to amortization.

The Museum received \$21,100 (2020 - \$13,000) in contributed artifacts during the year.

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

2. Summary of significant accounting policies (continued)

Revenue and expenditure recognition

Revenues and expenditures are recorded on the accrual basis.

The Museum follows the restricted method of accounting for contributions. Restricted donations and grants are recognized as revenue when received if there is a separate related restricted fund. If there is not a separate related restricted fund, amounts are deferred and recognized as revenue in the year in which related expenditures are incurred. Unrestricted donations are recognized as revenue when received. Other operating revenues are recognized when received or receivable if the product has been provided or the service has been rendered, the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as revenue of the appropriate fund in the year in which it is earned.

Pledges are not recognized as revenue.

Contributed materials and services

Contributions of materials are recognized in the financial statements at fair value at the date of contribution, but only when a fair value can be reasonably estimated and when the materials are used in the normal course of operations, and would otherwise have been purchased. Some members and supporters of the Museum have donated significant amounts of time in furthering the Museum's programs and objectives. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Use of estimates

Management reviews the carrying value of items in the financial statements at each reporting date to assess the need for revisions or any possibility of impairment. Management determines estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Estimates are reviewed periodically and adjustments are made to revenues and expenditures, as appropriate, in the year they become known. The most significant items that involve the use of estimates are inventory valuation and the useful life of capital assets.

Government assistance

Government assistance received is recorded as other income in the statement of operations when related expenditures are incurred.

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

2. Summary of significant accounting policies (continued)

Financial instruments

The Museum considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Museum accounts for the following as financial instruments:

- cash
- investments
- accounts receivable
- grants receivable
- accounts payable
- loan payable

A financial asset or liability is recognized when the Museum becomes a party to contractual provision of the instrument.

The Museum initially measures its financial assets and financial liabilities at fair value and subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments, which are measured at fair value.

The Museum removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets or liabilities obtained in related party transactions are measured at the exchange amount.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

3. Financial instruments risks

The Museum is exposed to various risks associated with its financial instruments as described below. Unless otherwise noted, there has been no change in risk exposure from the prior year.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Museum is exposed to credit risk on the accounts receivable from its customers. The maximum exposure to credit risk is the carrying value of accounts receivable. The allowance for doubtful accounts is \$Nil (2020 - \$Nil).

(b) Liquidity risk

Liquidity risk is the risk that the Museum will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Museum's cash requirements. Additional cash requirements are met with the use of investments.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. The Museum is subject to interest rate risk on its interest-bearing financial instruments and loan payable. Changes in interest rates may cause fluctuations in the value of investments and future cash flows.

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

4. Interfund loans and transfers

Interfund loans are non-interest bearing with no set terms of repayment.

Interfund transfers during the year were as follows:

	<u>Operating</u>	<u>Capital</u>	<u>Internally Restricted</u>	<u>Externally Restricted</u>
Capital asset purchases	\$ (849)	\$ 3,026,940	\$ -	\$ (3,026,091)
Prepaid expenses	-	19,181	-	(19,181)
Internal allocations - interest income	<u>(6,621)</u>	<u>-</u>	<u>6,621</u>	<u>-</u>
	<u>\$ (7,470)</u>	<u>\$ 3,046,121</u>	<u>\$ 6,621</u>	<u>\$ (3,045,272)</u>

5. Investments

Investments consist of the following:

	<u>2021</u>	<u>2020</u>
Guaranteed investment certificates	\$ -	\$ 1,042,591
Investment savings mutual funds	<u>1,249,167</u>	<u>1,390,200</u>
	<u>\$ 1,249,167</u>	<u>\$ 2,432,791</u>

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

6. Capital assets

	2021 Cost	2021 Accumulated Amortization	2020 Cost	2020 Accumulated Amortization
Land	\$ 898,567	\$ -	\$ 898,567	\$ -
Buildings	2,722,954	1,657,616	2,722,954	1,593,746
Equipment	316,488	255,012	310,217	240,848
Museum exhibits	2,214,572	2,198,349	2,214,572	2,192,033
Vehicles	45,668	45,020	45,668	39,955
Computer equipment	94,913	85,754	94,061	80,534
Exhibit Studio	<u>33,336</u>	<u>21,933</u>	<u>21,746</u>	<u>20,116</u>
	<u>6,326,498</u>	<u>4,263,684</u>	<u>6,307,785</u>	<u>4,167,232</u>

Net book value

\$ 2,062,814

\$ 2,140,553

New museum development costs consists of construction in progress. No amortization has been taken as of December 31, 2021.

7. Deferred revenue

Deferred revenue includes amounts for memberships, other services to be provided in a future period and unspent donations and grants to be used for certain aspects of the Museum's operations. The continuity of this funding is summarized as follows:

	<u>2021</u>	<u>2020</u>
Balance - beginning of year	\$ 24,259	\$ 41,934
Add: funding received	166,748	23,373
Less: funding spent	<u>(97,247)</u>	<u>(41,048)</u>
Balance - end of year	<u>\$ 93,760</u>	<u>\$ 24,259</u>

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

8. Loan payable

During the year, the Museum received the Canada Emergency Business Account (CEBA) loan expansion from the Government of Canada which was available to assist with covering operating costs during the COVID-19 pandemic. The amount of the loan expansion is \$20,000, it is interest-free until December 31, 2023, and principal payments are not required until that time. If the loan is repaid by December 31, 2023, \$10,000 of the loan expansion will be forgiven. After December 31, 2023, an annual interest rate of 5% will be applied to the outstanding loan. As the Museum intends to repay the loan before the deadline, \$10,000 of the expansion amount has been recognized in the statement of operations in the current year as other income under government assistance as it will be forgiven. The remaining \$10,000 is recognized as long term debt. The loan is due in full on December 31, 2025.

The \$20,000 CEBA loan expansion is a top up of the original CEBA loan of \$40,000 received in the prior period, resulting in a total of \$60,000 received in the current and prior period with a total of \$20,000 to be forgiven if the loan is repaid by December 31, 2023.

9. Government assistance - COVID-19

The Museum received the following COVID-19 pandemic funding from government sources and programs, both to support adaptation to changing circumstances and to allow museum operations to continue and advance in new directions. These funding items have been recorded as other income in the statement of operations.

	<u>2021</u>	<u>2020</u>
Canada Emergency Wage Subsidy and Temporary Wage Subsidy	\$ 210,389	\$ 191,217
Ontario Trillium Foundation - Resilient Communities Fund	150,000	3,200
MAP - COVID-19 Emergency Support Fund for Heritage Organizations	100,000	100,000
Ontario Trillium Foundation - Community Building Fund	53,744	-
Ontario Small Business Support	40,000	-
Forgivable portion of CEBA loan and extension (Note 8)	10,000	10,000
Greater Peterborough Business Development Centre	3,480	-
Ontario Main Street Relief Grant	1,000	-
Emergency Community Support Fund	-	10,000
	<u>\$ 568,613</u>	<u>\$ 314,417</u>

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

10. Recovery of pre-construction costs

In prior years the Museum made certain prepayments related to the new museum development project for services not yet provided. In the prior year, after the discovery that the original new museum site would no longer be viable, the Museum recognized an impairment loss as costs incurred for the original site were not transferable to a new location. The prepayments were also written off at this time as there was no evidence that these payments would be recovered in future periods. In January 2022, an agreement was finalized with the vendor to whom the prepayments had previously been made, to provide services equivalent to the prepayment amount of \$454,720. In March 2022, the vendor ceased operations and will not be able to honour the remaining commitment to the Museum. As a result, the Museum has determined that it is unlikely that they will be able to recover the full balance outstanding at December 31, 2021 and has therefore written off \$123,549. These amounts have been netted in 2021 and recorded in other income as a recovery of pre-construction costs in the statement of operations.

In prior years the Museum recorded a holdback in the amount of \$79,637, payable to the same vendor noted above, which was included in accounts payable and accrued liabilities as at December 31, 2020. Once the new agreement was reached, the holdback was no longer considered payable; therefore, in 2021 it was written off and recorded as a recovery of pre-construction costs in other income in the statement of operations.

	<u>Prepays</u>	<u>Capital Assets</u>	<u>Recovery</u>	<u>Pre-construction</u>
Record prepayment	454,720	-	(454,720)	-
Capitalize and expense	(311,990)	169,387	-	142,603
Holdback recovery	-	-	(79,637)	-
Reversal of unused prepaid	<u>(123,549)</u>	<u>-</u>	<u>123,549</u>	<u>-</u>
	<u>19,181</u>	<u>169,387</u>	<u>(410,808)</u>	<u>142,603</u>

11. Allocated expenses

The Museum employs individuals that perform work that is directly attributable for both general operations and the development of the new museum. Wages and benefits for these individuals are allocated to the operating fund and new museum fund based on a direct proportion of the time spent on the aforementioned activities. The wages and benefits allocated to the new museum fund during the year were \$75,805 (2020 - \$198,207). In the current year, these costs have been allocated to the expenditure line related to the type of work performed rather than to the wages and contract staff line as in the prior year.

The Canadian Canoe Museum

Notes to the Financial Statements

December 31, 2021

12. Commitments and contingencies

- (a) The Museum has entered into a contract for the construction of the new museum at an amount of \$27.2 million. The outstanding commitment as at year end is \$24.7 million.
- (b) Due to the activities of the former owner of the Museum's property, located at 910 Monaghan Road, a portion of the property is considered contaminated by the Ministry of the Environment and Climate Change. The Ministry has determined that further remediation efforts are required, and the value of the property may be impaired. The amount of the impairment cannot be reasonably estimated and, therefore, no accrual has been made in these statements.

13. COVID-19 impacts

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses and organizations were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

Considered a non-essential service by the Federal and Provincial governments, the museum was forced to close its doors to the public from late 2020 until late July 2021. From then until December 2021, it was only able to open in a limited capacity until it once again had to close before the end of the year. Due to closures, visitation decreased by 90% and only 30% of programs were able to continue. Due to these closures, the museum was required to rely more heavily on government support than in prior years, as described in Note 9. The focus of the museum will be shifting, therefore, to offering virtual programs and tours, as well as expanding the overall offerings in those areas.

At this time, the duration and magnitude of the future impact of the COVID-19 pandemic and its potential adverse effects on the Museum's operations are uncertain and will depend on future developments.

14. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.
