

CANADIAN MUSEUM FOR HUMAN RIGHTS

QUARTERLY FINANCIAL REPORT

For the three and nine months ended December 31, 2024

(Unaudited)



**CANADIAN MUSEUM FOR
HUMAN RIGHTS**
MUSÉE CANADIEN POUR LES
DROITS DE LA PERSONNE

Canadian Museum for Human Rights

Quarterly Financial Report

(Unaudited)

For the three and nine months ended December 31, 2024

Narrative Discussion

This section of the quarterly financial report presents management's narrative discussion of the financial performance of the Canadian Museum for Human Rights ("CMHR" or "the Museum") during the nine months ended December 31, 2024. It must be read in conjunction with the March 31, 2024 Management Discussion and Analysis and Annual Audited Financial Statements.

FINANCIAL RESULTS

A summary of the financial activity for the nine months ended December 31, 2024 includes the following:

OVERVIEW

Total on-site visitation during this time was 156,626, slightly lower than the 169,364 of the same period last year and below the 238,685 visitors welcomed in the nine months ended December 31, 2019, prior to the pandemic. The Museum's education programming had 17,621 students, teachers and chaperones participating in-person and 5,940 participating in virtual field trips, totalling 23,561, compared to 13,729 students, teachers and chaperones participating in-person and 4,714 participating in virtual field trips for the nine months ending December 31, 2023.

The Museum's website, humanrights.ca, attracted 1,154,881 website visits in the nine months ended December 31, 2024, 29 per cent higher than the previous year, with 892,075 website visits.

The Museum finished the third quarter with an excess of revenue over expenses of \$1.8 million, a \$3.5 million increase compared to an excess of expenses over revenue of \$1.7 million in the same period of the previous year. The increase in the current period was due to higher parliamentary appropriations due to an increase in voted main estimates for the year.

Canadian Museum for Human Rights

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STATEMENT OF OPERATIONS

Parliamentary appropriations

Total parliamentary appropriations, reported on an accrual basis, are \$27.2 million for the nine months ended December 31, 2024. This is \$3.3 million higher than the \$23.9 million in appropriations for the nine months that ended December 31, 2023.

For the fiscal year 2024-2025, the total voted main estimate appropriations are \$26.9 million, \$1.4 million higher than 2023-2024.

Revenues

Operating revenues for the nine months ended December 31, 2024 were \$1.6 million, 19 percent lower compared to the previous year. This figure represents revenue from admissions, memberships, programming, Boutique sales, facility rentals, restaurant and catering.

Contributions of \$5.6 million are largely comprised of the amortization of deferred contributions related to capital assets received in previous periods from funding partners other than the Government of Canada, which are amortized over the same period as the capital asset purchased with the contributions. The funding partners include the Province of Manitoba, the City of Winnipeg and the Friends of the Canadian Museum for Human Rights (Friends).

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Expenses

Total operating expenses were \$33.1 million for the nine months ended December 31, 2024, a \$0.1 million decrease from \$33.2 million for the nine months ended December 31, 2023.

The breakdown of expenses by core responsibility is as follows:

- Museum content, programs and engagement expenses were \$10.9 million in comparison to \$10.8 million in the previous year. The increase was due to higher costs for personnel from filling vacancies, programs and exhibit development and refresh.
- Accommodation expenses were \$15.3 million in comparison to \$15.4 million in the previous year. The decrease was due to lower costs for personnel.
- Internal services expenses were \$6.9 million, in comparison to \$7.0 million in the previous year. The decrease was due to lower costs for personnel.

For the nine months ended December 31, 2024, the Museum finished the period with an excess of revenue over expenses of \$1.8 million.

STATEMENT OF FINANCIAL POSITION

Total assets decreased by \$7.0 million from \$264.6 million on March 31, 2024 to \$257.6 million on December 31, 2024. The decrease was due to the amortization of capital assets.

Total liabilities decreased by \$8.9 million from \$250.5 million on March 31, 2024 to \$241.6 million on December 31, 2024. The decrease was due to the amortization of deferred contributions for capital assets received in previous years.

Net assets increased by \$1.8 million from March 31, 2024 representing an excess of revenue over expenses.

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RISK ANALYSIS AND OUTLOOK

The Museum continually updates its risk-management framework to identify, evaluate and mitigate all factors that pose a substantive threat to its ongoing operations or long-term success. Risks will continue to be monitored on an ongoing basis.

The Museum is committed to building upon its considerable successes since opening in 2014 and will continue to work closely with its partners, the Government of Canada and the Friends, to assess its long-term funding requirements. Current pressures on the Museum's operating and capital budgets include the post pandemic economic environment, increasing inflation and its impact on consumer spending, work required to create an equitable museum, and the significant capital requirements of maintaining a digitally based museum in an iconic building.

Looking forward, the Museum has identified the development of a Digital Learning Centre (DLC) as a priority, providing greater opportunities to realize its mandate. The DLC will be a 465-square-metre space unlike any other in Western Canada. Integrated, advanced audio-visual technology will be used to virtually connect remote audiences with on-site programming ranging from discussions and lectures to school programs and public performances. This multi-purpose gathering place and education centre will also accommodate community gatherings, facility rentals, conference seminars and more.

Completion of the DLC will enable all Canadians to participate in cultural, human rights, educational and reconciliation-oriented programs via integrated livestream broadcasts from the Museum. It will be fully accessible to visitors of all abilities, incorporating the latest principles of inclusive design.

The Museum will continue its efforts to maximize earned revenue. In partnership with the Friends, the Museum also plans to supplement its parliamentary appropriations through sponsorships and philanthropic support.

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STATEMENT OF MANAGEMENT RESPONSIBILITY BY SENIOR OFFICIALS

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

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



Isha Khan, Chief Executive Officer



Michael Schroeder, CPA, CGA, Chief Financial Officer

February 11, 2025

Quarterly Financial Statements of

CANADIAN MUSEUM FOR HUMAN RIGHTS

Nine months ended December 31, 2024

(Unaudited)



CANADIAN MUSEUM FOR
HUMAN RIGHTS
MUSÉE CANADIEN POUR LES
DROITS DE LA PERSONNE

Canadian Museum for Human Rights

Statement of Financial Position

(Unaudited)

(In thousands of dollars)

As at	December 31, 2024	March 31, 2024
Assets		
Current assets		
Cash and restricted cash	\$ 22,311	\$ 9,037
Investments and restricted investments	-	11,683
Accounts receivable	289	277
Inventories	102	160
Prepaid expenses	470	479
	23,172	21,636
Investments and restricted investments	11,240	11,348
Collections	1	1
Capital assets	223,217	231,647
Total assets	\$ 257,630	\$ 264,632
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities	\$ 3,963	\$ 3,699
Obligation under capital lease (Note 4)	271	264
Deferred revenue	869	1,250
	5,103	5,213
Obligation under capital lease (Note 4)	1,120	1,206
Deferred contributions (note 5)	18,550	18,835
Deferred contributions related to capital assets (note 6)	216,847	225,198
Total liabilities	241,620	250,452
Net assets		
Unrestricted	11,031	9,201
Invested in capital assets (Note 7)	4,979	4,979
	16,010	14,180
Total liabilities and net assets	\$ 257,630	\$ 264,632

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

Canadian Museum for Human Rights

Statement of Operations

(Unaudited)

(In thousands of dollars)

	Three months ended		Nine months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Revenue (Schedule 1)				
Operating	\$ 528	\$ 544	\$ 1,564	\$ 1,886
Contributions	1,890	1,725	5,583	5,169
Other income	207	171	613	517
Total revenue	2,625	2,440	7,760	7,572
Expenses (Schedule 2)				
Museum content, programs and engagement	3,641	3,685	10,944	10,770
Accommodation	5,148	5,138	15,277	15,403
Internal services	2,167	2,317	6,925	7,026
Total expenses	10,956	11,140	33,146	33,199
Excess of expenses over revenue before parliamentary appropriations	(8,331)	(8,700)	(25,386)	(25,627)
Parliamentary appropriations (note 8)	9,166	7,738	27,216	23,887
Excess of revenue over expenses (expenses over revenue)	\$ 835	\$ (962)	\$ 1,830	\$ (1,740)

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

Statement of Changes in Net Assets

(Unaudited)

(In thousands of dollars)

Nine months ended December 31,			2024	2023
	Unrestricted	Invested in capital assets		
Net assets, beginning of period	\$ 9,201	\$ 4,979	\$ 14,180	\$ 13,367
Excess of revenue over expenses (expenses over revenue)	1,830	-	1,830	(1,740)
Net assets, end of period	\$ 11,031	\$ 4,979	\$ 16,010	\$ 11,627

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

Canadian Museum for Human Rights

Statement of Cash Flows

(Unaudited)

(In thousands of dollars)

Nine months ended December 31,	2024	2023
Operating activities		
Cash receipts from customers	\$ 1,533	\$ 1,794
Cash receipts from contributions	1,019	113
Cash receipts from parliamentary appropriations	21,753	18,664
Cash receipts from other income	136	145
Cash payments to and on behalf of employees	(13,978)	(13,326)
Cash payments to suppliers	(8,881)	(9,415)
Interest received	665	276
Interest paid	(24)	(22)
	2,223	(1,771)
Capital activities		
Payments for acquisition of capital assets	(1,454)	(1,425)
	(1,454)	(1,425)
Investing activities		
Acquisition of investments	-	(14,165)
Disposal of investments	11,129	15,166
	11,129	1,001
Financing activities		
Parliamentary appropriation for the acquisition of capital assets	348	(45)
Contributions from non-government sources for capital assets	1,092	529
Obligation under capital lease	(64)	422
	1,376	906
Increase (decrease) in cash	13,274	(1,289)
Cash and restricted cash, beginning of period	9,037	3,308
Cash and restricted cash, end of period	\$ 22,311	\$ 2,019

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

Canadian Museum for Human Rights

Notes to Quarterly Financial Statements

For the three and nine months ended December 31, 2024

(Unaudited)

(In thousands of dollars, unless otherwise noted)

1. (a) Authority and mandate

The Canadian Museum for Human Rights (the “Museum”) was established through an amendment to the *Museums Act* on August 10, 2008 and is a Crown corporation named in Part I of Schedule III to the *Financial Administration Act* (FAA). It is accountable to Parliament through the Minister of Canadian Heritage.

The Museum is not subject to income tax under the provisions of the *Income Tax Act of Canada*.

The Museum’s mandate, as stated in an amendment to the *Museums Act*, is as follows:

“to explore the subject of human rights, with special but not exclusive reference to Canada, in order to enhance the public’s understanding of human rights, to promote respect for others and to encourage reflection and dialogue.”

The Government of Canada has approved the Museum’s corporate plan for the 2024-2025 to 2028-2029 planning period. The Corporate Plan Summary was tabled on October 7, 2024 and is available on the Museum’s website humanrights.ca.

(b) Operations

To meet all aspects of its mandate, the Museum has divided its operations into three mutually supportive activities:

Museum content, programs and engagement

- Accessible and engaging exhibitions including online
- Programming that promotes reflection and dialogue
- Sound and balanced research, scholarship and collections management
- National outreach, engagement and service
- Communications and marketing

Accommodation

- Building operations
- Protection services
- Information technology infrastructure

Internal services

- Corporate governance
- Administration
- Earned-revenue generation

Canadian Museum for Human Rights

Notes to Quarterly Financial Statements

For the three and nine months ended December 31, 2024

(Unaudited)

(In thousands of dollars, unless otherwise noted)

2. Significant accounting policies

The quarterly financial statements have been prepared in accordance with the Canadian public sector accounting standards (PSAS) for government not-for-profit organizations. The Museum has elected to apply the 4200 series for government-not-for-profit organizations and applies the deferral method of accounting for contributions for not-for-profit organizations. The same accounting policies and methods of computation are followed in the quarterly financial statements as compared to the March 31, 2024 Annual Audited Financial Statements.

3. Basis of presentation

The note disclosures in these unaudited financial statements do not conform in all respects to the requirements of PSAS for government not-for-profit organizations for annual audited financial statements. These unaudited financial statements should be read in conjunction with the Narrative Discussion for the nine months ended December 31, 2024 and with the Museum's annual audited financial statements as at and for the year ended March 31, 2024.

4. Obligation under capital lease

In the prior year, the Museum completed an upgrade and replacement of its core information technology network through a lease-purchase agreement with a term of five years. Management intends to completely discharge its obligation under the lease and obtain ownership of all network computer equipment, hardware and software in 2029-30, upon final payment.

	December 31, 2024
Total minimum future lease payments ⁽¹⁾	\$ 1,675
Deduct imputed interest	(284)
Present value of financing obligations	1,391
Current portion	271
Long term portion	1,120
	1,391

1) The amounts payable under the capital lease are based on the fixed nominal interest rate of 8.31%, for a period of five years, established at the time of signing the agreement.

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For the three and nine months ended December 31, 2024

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(In thousands of dollars, unless otherwise noted)

5. Deferred contributions

Changes in the deferred contributions, restricted for the future capital and operational requirements during the period were as follows:

Nine months ended	December 31, 2024
Balance, beginning of period	\$ 18,835
Additions	
Deferred interest income	618
	618
Deductions	
Amounts transferred to deferred contributions related to capital assets	(277)
Amounts recognized as revenue	(626)
	(903)
Balance, end of period	\$ 18,550

6. Deferred contributions related to capital assets

Changes in the deferred contributions related to capital assets, purchased but not fully amortized during the current period were as follows:

Nine months ended	December 31, 2024
Balance, beginning of period	\$ 225,198
Amounts transferred from deferred contributions	277
Parliamentary appropriation for the acquisition of capital assets	348
Sponsorship contributions for the acquisition of capital assets	763
Amortization of deferred contributions related to capital assets	(9,739)
Balance, end of period	\$ 216,847

Canadian Museum for Human Rights

Notes to Quarterly Financial Statements

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(Unaudited)

(In thousands of dollars, unless otherwise noted)

7. Net assets invested in capital assets

The net assets invested in capital assets consists of the land donated by the City of Winnipeg and The Forks Renewal Corporation as follows:

	December 31, 2024
Capital assets	\$ 223,217
Less amounts financed by	
Capital lease	(1,391)
Deferred contributions	(216,847)
Balance, end of period	\$ 4,979

8. Parliamentary appropriations

	Three months ended		Nine months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Main estimates amount provided for operating and capital expenditures	\$ 7,427	\$ 6,365	\$ 22,101	\$ 19,194
Less current period parliamentary appropriations not recognized as revenue:				
Amounts used to purchase capital assets	(53)	(463)	(348)	(529)
Add prior year parliamentary appropriations recognized as revenue in the current period:				
Amortization of deferred contributions related to capital assets	1,618	1,560	4,838	4,714
Restricted amounts used in current period for items expensed	174	276	625	508
	\$ 9,166	\$ 7,738	\$ 27,216	\$ 23,887

9. Comparative Figures

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

Canadian Museum for Human Rights

Notes to Quarterly Financial Statements

For the three and nine months ended December 31, 2024

(Unaudited)

(In thousands of dollars, unless otherwise noted)

Schedule 1 – Schedule of Revenue

Operating revenue

Nine months ended December 31,	2024	2023
Admissions and programs		
General admission	\$ 507	\$ 647
Memberships	28	43
Public programs	36	19
Education programs	5	3
Retail Boutique sales	332	488
Facility rentals	491	524
Restaurant and catering	162	162
Travelling Exhibitions	3	-
Total	\$ 1,564	\$ 1,886

Contributions

Nine months ended December 31,	2024	2023
Revenue related to the amortization of deferred contributions	\$ 4,901	\$ 4,904
Contributions from Friends of the CMHR		
Cash donations and sponsorships	222	156
In-kind donations	29	30
Cash donations and sponsorships	422	57
In-kind and artifact donations	9	22
Total	\$ 5,583	\$ 5,169

Other income

Nine months ended December 31,	2024	2023
Interest revenue	477	375
Cost recoveries from the Friends of the CMHR	126	123
Miscellaneous	10	19
Total	\$ 613	\$ 517

Canadian Museum for Human Rights

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Schedule 2 – Schedule of Expenses

Nine months ended December 31,	2024	2023
Salaries and benefits	\$ 13,717	\$ 13,282
Amortization	9,739	9,618
Payment in lieu of taxes	2,029	1,998
Building operations	1,908	1,823
Professional services	1,854	2,142
IT management infrastructure	1,300	1,119
Materials and supplies	611	713
Travel and hospitality	497	480
Utilities	401	448
Marketing and communication	318	570
Exhibitions	226	298
Cost of sales	189	268
Repairs and maintenance	179	252
Other	142	166
Interest on capital lease obligation	32	22
Collections	4	-
Total expenses	\$ 33,146	\$ 33,199