

# **CANADIAN MUSEUM OF HISTORY**

Quarterly Financial Statements

For the three-month period ended June 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.

## **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 three-month period ended June 30, 2025, reflects a deficit of \$3.4 million, compared to \$2.1 million for the comparative period of the previous fiscal year.

Parliamentary appropriations for the period total \$20.2 million, compared to \$21.0 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 three-month period total \$5.9 million, compared to \$5.4 million for the same period of the previous fiscal year, an increase of \$0.5 million. Operating revenue results for the current period are higher when compared to the prior fiscal year, however, remain lower when compared to pre-pandemic levels.

Operating expenses for the three-month period total \$29.5 million, compared to \$28.5 million for the same period of the previous fiscal year, an increase of \$1.0 million. This is explained by the increase in salary costs.

## **STATEMENT OF FINANCIAL POSITION**

The Museum's unrestricted net assets as of June 30, 2025, represent \$5.3 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



Suzanne Bouchard, CPA, CMA  
Acting Chief Financial Officer and Vice-President of Finance, Infrastructure and Visitor Services

Gatineau, Quebec

August 28, 2025

# CANADIAN MUSEUM OF HISTORY

(Unaudited)

## Statement of Financial Position

As at

(In thousands of dollars)

	June 30, 2025	March 31, 2025
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 5,225	\$ 7,067
Restricted cash and investments	2,589	3,393
Investments	7,042	8,118
Accounts receivable	2,476	3,184
Inventories	673	662
Prepaid expenses	2,007	1,372
	20,012	23,796
Restricted investments	15,431	14,409
Investments	78,004	86,018
Collections	1	1
Capital assets	176,819	178,258
	\$ 290,267	\$ 302,482
<b>Liabilities and net assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 15,644	\$ 20,655
Deferred contributions (note 3)	22,748	23,164
Unearned revenues	603	732
	38,995	44,551
Deferred contributions - National Collection Fund (note 4)	12,017	11,893
Deferred contributions related to capital assets (note 5)	150,011	153,464
Employee future benefits	18,434	18,107
Asset retirement obligations	4,379	4,385
	223,836	232,400
<b>Net assets</b>		
Unrestricted	5,332	8,707
Restricted for permanent exhibit renewal	19,610	19,621
Investment in capital assets	40,868	40,868
Accumulated remeasurement gains	621	886
	66,431	70,082
	\$ 290,267	\$ 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-month period ended June 30

(In thousands of dollars)

	2026	2025
Revenues		
Donations and sponsorships (note 6)	\$ 448	\$ 472
Interest income	1,179	1,065
Operating (schedule 1)	4,274	3,836
	5,901	5,373
Expenses (schedule 2)		
Collect and research	\$ 4,140	\$ 3,796
Exhibit, educate and communicate	7,299	7,920
Accommodation	11,146	10,971
Corporate management	6,947	5,861
	29,532	28,548
Net result of operations before parliamentary appropriations	(23,631)	(23,175)
Parliamentary appropriations (note 7)	20,245	21,034
Net result of operations	\$ (3,386)	\$ (2,141)

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

## Statement of Remeasurement Gains and Losses

For the three-month period ended June 30

(In thousands of dollars)

	2026	2025
Accumulated remeasurement gains beginning of year	\$ 886	\$ 238
Unrealized gains (losses) attributed to investments	(31)	87
Amounts reclassified to the Statement of Operations - investments	(234)	(35)
Net change in accumulated remeasurement gains (losses) for the period	(265)	52
Accumulated remeasurement gains, end of period	\$ 621	\$ 290

*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-month period ended June 30

(In thousands of dollars)

	Unrestricted	Restricted for permanent exhibit renewal	Investment in capital assets	Accumulated remeasuremen gains (losses)	2026	2025
Net assets, beginning of year	\$ 8,707	\$ 19,621	\$ 40,868	\$ 886	\$ 70,082	\$ 68,475
Net results of operations	(3,375)	(11)	-	-	(3,386)	(2,141)
Net change in accumulated gains (losses)	-	-	-	(265)	(265)	52
Net assets, end of period	\$ 5,332	\$ 19,610	\$ 40,868	\$ 621	\$ 66,431	\$ 66,386

*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-month period ended June 30

(In thousands of dollars)

	2026	2025
Operating activities		
Cash receipts from clients and other receivables	\$ 7,056	\$ 5,222
Cash receipts from parliamentary appropriations	14,522	16,545
Cash paid to and on behalf of employees	(13,088)	(10,581)
Cash paid to suppliers	(17,886)	(11,919)
Restricted contributions and related investment income	(680)	1,320
Interest received	1,009	1,186
Total cash flow provided through operating activities	(9,067)	1,773
Investing activities		
Increase in investments and restricted investments	(2,400)	(16,385)
Decrease in investments and restricted investments	11,610	17,831
Net cash through investing activities	9,210	1,446
Capital activities		
Acquisition of capital assets	(3,770)	(3,915)
Financing activities		
Parliamentary appropriations for the acquisition of capital assets	1,943	1,007
Increase (decrease) in cash and restricted cash	(1,684)	311
Cash and restricted cash, beginning of year		
Cash	7,067	15,211
Restricted cash	1,392	2,383
	8,459	17,594
Cash and restricted cash, end of period		
Cash	5,225	14,370
Restricted cash	1,550	3,535
	\$ 6,775	\$ 17,905

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 three-month period ended June 30, 2025

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

# CANADIAN MUSEUM OF HISTORY

(Unaudited)

## Notes to the Financial Statements

For the three-month period ended June 30, 2025

(In thousands of dollars)

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## 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 three-month period ended June 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	June 30, 2025 (3 months)	March 31, 2025 (12 months)
Balance, beginning of year	\$ 6,069	\$ 17,095	\$ 23,164	\$ 24,002
Additions				
Amounts received during the period	92	-	92	2,754
Deferred investment income	64	-	64	296
	156	-	156	3,050
Deductions				
Amounts recognized as revenue	(229)	(343)	(572)	(3,888)
Balance, end of period	\$ 5,996	\$ 16,752	\$ 22,748	\$ 23,164

# CANADIAN MUSEUM OF HISTORY

(Unaudited)

## Notes to the Financial Statements

For the three-month period ended June 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	June 30, 2025 (3 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	112	12	124	504
	112	12	124	559
Deductions				
Amounts recognized as revenue	-	-	-	(137)
Balance, end of period	\$ 10,876	\$ 1,141	\$ 12,017	\$ 11,893

# CANADIAN MUSEUM OF HISTORY

(Unaudited)

## Notes to the Financial Statements

For the three-month period ended June 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>		June 30, 2025 (3 months)	March 31, 2025 (12 months)
	Non- government sources	Parliamentary appropriations	Parliamentary appropriations			
Balance, beginning of year	\$ 1,313	\$ 133,698	\$ 18,453	\$ 153,464	\$ 166,878	
Additions						
Capital asset acquisitions	-	2,442	-	2,442	13,588	
Parliamentary appropriations deferred for capital asset acquisitions in future periods	-	-	-	-	-	
	-	2,442	-	2,442	13,588	
Deductions						
Amounts used during the period	(16)	(4,052)	(1,827)	(5,895)	(27,002)	
Balance, end of period	\$ 1,297	\$ 132,088	\$ 16,626	\$ 150,011	\$ 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 three-month period ended June 30, 2025

(In thousands of dollars)

### 6. Donations and sponsorships

Donations and sponsorships revenue is composed of:

	June 30, 2025	June 30, 2024
Cash donations and sponsorships	\$ 388	\$ 442
In-kind sponsorships and artifact donations	60	30
	\$ 448	\$ 472

### 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.

	June 30, 2025	June 30, 2024
Main Estimates amount provided for operating and capital expenses	\$ 16,465	\$ 17,391
Less current period Parliamentary appropriations not recognized as revenue:		
Used for capital asset acquisitions	(615)	(625)
Add prior period Parliamentary appropriations recognized as revenue in current period:		
Amortization of deferred capital funding	4,052	3,943
Restricted amounts used in current period	343	324
Parliamentary appropriations recognized as revenue	\$ 20,245	\$ 21,034

# CANADIAN MUSEUM OF HISTORY

(Unaudited)

## Schedule 1 - Operating Revenues

For the three-month period ended June 30  
(In thousands of dollars)

	2026	2025
General admission and programs	\$ 2,198	\$ 1,800
Facility rentals, events and concessions	835	920
Parking	545	452
Boutique sales	530	509
Memberships	132	117
Travelling exhibits	21	10
Other	13	28
	<b>\$ 4,274</b>	<b>\$ 3,836</b>

## Schedule 2 - Expenses

For the three-month period ended June 30  
(In thousands of dollars)

	2026	2025
Personnel costs	\$ 14,641	\$ 12,910
Amortization of capital assets	4,079	3,971
Payments in lieu of property taxes	2,632	2,450
Building operations	2,016	2,320
Professional and special services	1,015	869
Repairs and maintenance	964	910
IT infrastructure and systems	785	657
Exhibit fabrication and rental	754	920
Utilities	703	767
Online programs assistance	462	957
Cost of goods sold	361	262
Marketing and advertising	320	555
Materials and supplies	227	270
Travel and hospitality	174	348
Collection acquisitions	133	131
Rentals and leases	89	59
Royalties	12	25
Other	165	167
	<b>\$ 29,532</b>	<b>\$ 28,548</b>