CANADIAN MUSEUM OF HISTORY

Quarterly Financial Statements

For the three-month period ended June 30, 2026

Unaudited

NARRATIVE DISCUSSION

These quarterly financial statements must be read in conjunction with the March 31, 2026, 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 a mixed recovery, with domestic growth partially offsetting modest international gains, which remain below 2019-2020 levels. While U.S. visitor arrivals declined and Asia-Pacific markets continue to lag, there was a modest increase in visitors from some European markets, particularly in the National Capital Region, due to the resumption of key flights. National museums benefited from overall attendance growth, supported in part by federal programs such as the Canada Strong Pass, which increased access for youth and boosted domestic visitation. The Museum continues to focus on targeted marketing strategies to attract international visitors while strengthening domestic engagement, ensuring sustained attendance and relevance in a competitive cultural landscape.

STRATEGIC DIRECTIONS

In September 2025, after assessing multi-year progress and considering the current context, the Board and Museum Management made a forward-looking decision to focus on the following three strategic directions for 2026–27 and 2027-28, providing a strong and focused direction for the Corporation:

1. Engage people from across Canada in diverse histories and stories.
2. Advance reconciliation and strengthen our commitment to recognizing the rights of Indigenous Peoples.
3. 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, 2026, reflects a surplus of $0.8 million, compared to a deficit of $3.4 million for the comparative period of the previous fiscal year.

Parliamentary appropriations for the period total $21.5 million, compared to $20.2 million for the same period in the previous fiscal year.

Revenues for the three-month period total $5.9 million, same level as the previous fiscal year.

Operating expenses for the three-month period total $26.6 million, compared to $29.5 million for the same period in the previous fiscal year. The $2.9 million decrease is mainly explained by a decrease in personnel costs and in professional and special services.

STATEMENT OF FINANCIAL POSITION

The Museum’s unrestricted net assets as of June 30, 2026, represent $10.0 million. They were $9.2 million as of March 31, 2026.

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 global and domestic economic conditions continue to pose significant challenges for the Museum. Inflation, soft economic growth, and a global shift in travel contribute to uncertainty around visitation trends. Global trade disruptions and shifting supply chains continue to affect the cost and availability of materials and services essential to museum operations, exhibitions, and infrastructure projects. Government spending reductions, wage pressures, and ongoing labour shortages compound these challenges, while rising living costs affect discretionary spending on arts and culture. The same economic pressures are reflected in the fundraising and sponsorship landscape, where competition for limited philanthropic and corporate resources has intensified.

The Museum received an annual base capital funding of $2.5 million in 2026-2027. This base funding remains below the level necessary to keep two aging buildings in good condition and to address the requirements associated with the information technology and security infrastructure. To help alleviate these pressures, the government allocated a temporary funding of $2.3 million in capital funding for the 2026-2027 fiscal year. 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

August 27, 2026

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Financial Position

As at

(In thousands of dollars)

	June 30, 2026	March 31, 2026
Assets		
Current assets		
Cash	$ 3,708	$ 2,212
Restricted cash and investments	2,769	2,557
Investments	4,591	3,812
Accounts receivable	2,101	2,749
Inventories	700	582
Prepaid expenses	2,108	1,654
	15,977	13,566
Restricted investments	14,764	14,748
Investments	80,701	84,410
Collections	1	1
Capital assets	169,195	171,211
	$ 280,638	$ 283,936
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities	$ 13,613	$ 14,793
Deferred contributions (note 3)	20,780	21,210
Unearned revenues	655	749
	35,048	36,752
Deferred contributions - National Collection Fund (note 4)	12,466	12,339
Deferred contributions related to capital assets (note 5)	139,026	141,780
Employee future benefits	19,075	18,763
Asset retirement obligations	4,490	4,490
	210,105	214,124
Net assets		
Unrestricted	9,990	9,203
Restricted for permanent exhibit renewal	19,567	19,578
Investment in capital assets	40,868	40,868
Accumulated remeasurement gains	108	163
	70,533	69,812
	$ 280,638	$ 283,936

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)

		2027		2026
Revenues				
Donations and sponsorships (note 6)	$	500	$	448
Interest income		1,037		1,179
Operating (schedule 1)		4,337		4,274
		5,874		5,901
Expenses (schedule 2)				
Collect and research	$	3,911	$	4,140
Exhibit, educate and communicate		6,141		7,299
Accommodation		10,779		11,146
Corporate management		5,781		6,947
		26,612		29,532
Net result of operations before parliamentary appropriations		(20,738)		(23,631)
Parliamentary appropriations (note 7)		21,514		20,245
Net result of operations	$	776	$	(3,386)

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)

		2027		2026
Accumulated remeasurement gains beginning of year	$	163	$	886
Unrealized gains (losses) attributed to investments		79		(31)
Amounts reclassified to the Statement of Operations - investments		(134)		(234)
Net change in accumulated remeasurement gains for the period		(55)	$	(265)
Accumulated remeasurement gains, end of period	$	108	$	621

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 remeasurement gains (losses)	2027	2026
Net assets, beginning of year	$ 9,203	$ 19,578	$ 40,868	$ 163	$ 69,812	$ 70,082
Net results of operations	787	(11)	-	-	776	(3,386)
Net change in accumulated gains (losses)	-	-	-	(55)	(55)	(265)
Net assets, end of period	$ 9,990	$ 19,567	$ 40,868	$ 108	$ 70,533	$ 66,431

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)

	2027	2026
Operating activities		
Cash receipts from clients and other receivables	$ 5,830	$ 7,056
Cash receipts from parliamentary appropriations	16,124	14,522
Cash paid to and on behalf of employees	(12,718)	(13,088)
Cash paid to suppliers	(11,602)	(17,886)
Restricted contributions and related investment income	389	(680)
Interest received	1,112	1,009
Total cash flow provided through operating activities	(865)	(9,067)
Investing activities		
Increase in investments and restricted investments	(416)	(2,400)
Decrease in investments and restricted investments	3,514	11,610
Net cash through investing activities	3,098	9,210
Capital activities		
Acquisition of capital assets	(2,703)	(3,770)
Financing activities		
Parliamentary appropriations for the acquisition of capital assets	2,169	1,943
Increase (decrease) in cash and restricted cash	1,699	(1,684)
Cash and restricted cash, beginning of year		
Cash	2,212	7,067
Restricted cash	264	1,392
	2,476	8,459
Cash and restricted cash, end of period		
Cash	3,708	5,225
Restricted cash	467	1,550
	$ 4,175	$ 6,775

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

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.

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, 2026. 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.

(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, 2026 (3 months)	March 31, 2026 (12 months)
Balance, beginning of year	$ 5,150	$ 16,060	$ 21,210	$ 23,164
Additions				
Amounts received during the period	88	-	88	2,760
Deferred investment income	53	-	53	249
	141	-	141	3,009
Deductions				
Amounts recognized as revenue	(88)	(483)	(571)	(4,963)
Balance, end of period	$ 5,203	$ 15,577	$ 20,780	$ 21,210

(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, 2026 (3 months)	March 31, 2026 (12 months)
Balance, beginning of year	$ 11,198	$ 1,141	$ 12,339	$ 11,893
Additions				
Amounts received during the period	-	-	-	-
Deferred investment income	114	13	127	507
	114	13	127	507
Deductions				
Amounts recognized as revenue	-	-	-	(61)
Balance, end of period	$ 11,312	$ 1,154	$ 12,466	$ 12,339

(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:

	Used for acquisitions		To be used for capital asset acquisitions		
	Non-government sources	Parliamentary appropriations	Parliamentary appropriations	June 30, 2026 (3 months)	March 31, 2026 (12 months)
Balance, beginning of year	$ 1,247	$ 125,685	$ 14,848	$ 141,780	$ 153,464
Additions					
Capital asset acquisitions	-	1,972	-	1,972	8,405
Parliamentary appropriations deferred for capital asset acquisitions in future periods	-	-	-	-	2,252
	-	1,972	-	1,972	10,657
Deductions					
Amounts used during the period	(16)	(4,176)	(534)	(4,726)	(22,341)
Balance, end of period	$ 1,231	$ 123,481	$ 14,314	$ 139,026	$ 141,780

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.

(In thousands of dollars)

6. Donations and sponsorships

Donations and sponsorships revenue is composed of:

	June 30, 2026	June 30, 2025
Cash donations and sponsorships	$ 282	$ 388
In-kind sponsorships and artifact donations	218	60
	$ 500	$ 448

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, 2026	June 30, 2025
Main Estimates amount provided for operating and capital expenses	$ 18,293	$ 16,465
Less current period Parliamentary appropriations not recognized as revenue:		
Used for capital asset acquisitions	(1,438)	(615)
Add prior period Parliamentary appropriations recognized as revenue in current period:		
Amortization of deferred capital funding	4,176	4,052
Restricted amounts used in current period	483	343
Parliamentary appropriations recognized as revenue	$ 21,514	$ 20,245

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Schedule 1 - Operating Revenues
For the three-month period ended June 30
(In thousands of dollars)

	2027	2026
General admission and programs	$ 2,061	$ 2,198
Facility rentals, events and concessions	1,095	835
Boutique sales	535	530
Parking	506	545
Memberships	117	132
Travelling exhibits	7	21
Other	16	13
	$ 4,337	$ 4,274

Schedule 2 - Expenses
For the three-month period ended June 30
(In thousands of dollars)

	2027	2026
Personnel costs	$ 12,197	$ 14,641
Amortization of capital assets	4,203	4,079
Payments in lieu of property taxes	2,794	2,632
Building operations	1,715	2,016
IT infrastructure and systems	885	785
Repairs and maintenance	764	964
Utilities	697	703
Professional and special services	671	1,015
Collection acquisitions	639	133
Exhibit fabrication and rental	627	754
Online programs assistance	483	462
Cost of goods sold	239	361
Materials and supplies	165	227
Travel and hospitality	156	174
Marketing and advertising	149	320
Rentals and leases	59	89
Royalties	10	12
Other	159	165
	$ 26,612	$ 29,532