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# Annual Report

Canadian Museum of Immigration at Pier 21



Canadian Museum of Immigration at Pier  
Musée canadien de l'immigration du Quai

Canada 

# 2014-2015 Annual Report

## Canadian Museum of Immigration at Pier 21

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The Canadian Museum of Immigration at Pier 21 at night.

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## MESSAGE FROM THE CHAIR



It is with tremendous pride that the Board of Trustees of the Canadian Museum of Immigration at Pier 21 presents the Museum's fifth Annual Report to the people of Canada.

This year we near completion of a five year expansion project to become a truly national Museum entrusted to collect, share and pay tribute to the Canadian immigration story.

The expanded Museum will feature two new exhibitions. One exhibition will tell the Pier 21 story, a rich history of immigration from 1928 to 1971. The other exhibition will tell the broader stories of Canadian immigration from all points of entry, past to present day. Both will showcase the vast contributions of immigration to Canada's culture, economy and way of life. The expansion was made possible in part through the financial support of the Government of Canada.

As board representatives from across the country, we appreciate the national scope of our mandate, and work to ensure the Museum is known and accessible to all Canadians. One of the ways we do this is through our virtual Museum online, where immigration stories are shared with those across Canada and beyond.

And this year, we were pleased to take the Museum on the road via *Canada: Day 1*, the Museum's first travelling exhibit. *Canada: Day 1* explores the multifaceted experiences of newcomers on their first day of arrival in Canada, spanning from Confederation to present day. The exhibition is travelling across the country as part of *Canada's Road to 2017* events commemorating the 150th anniversary of Confederation.

We, the Trustees, recognize that we are a museum for the people of Canada. A place where personal immigration stories are shared, celebrated and preserved. We invite all Canadians to visit the Museum, onsite or online, to share their story and to explore their heritage.

As Trustees, we appreciate the importance of the responsibility given to us by the Government of Canada. We are humbled and honoured to be entrusted with guiding the Museum through this evolution.

Tung Chan  
Chair of the Board of Trustees

## MESSAGE FROM THE CEO

I am pleased to present our annual report for 2014-15. So much has happened since we were granted the privilege and the responsibility of becoming Canada's sixth national Museum.

At fiscal year end, we were in the final phase of a significant expansion, requiring the closure of the Museum from November 2014 until May 2015. An incredible transformation is taking place and I invite you to come and experience it firsthand.

Since its opening as an immigration centre in 1928, Pier 21 has been a place of new beginnings. We are the place where almost one million immigrants first set foot in Canada. We are the place where 368,000 soldiers departed for World War II. We are the place where thousands of Canadians have discovered their personal immigration connections. Now, we are the place where all Canadians can come to experience the vital role immigration has played in the building of Canada.

If you are not able to make the trip to Halifax, we have developed other ways for you to experience the Museum. Our inaugural travelling exhibit, *Canada: Day 1* launched in Nanaimo, BC in June 2014, and then travelled to Markham, ON where it will be on display until June 2015. It will continue to travel the country through 2017 as our legacy project for the Sesquicentennial.

You can also experience the Museum online. Our digital presence is constantly evolving to reflect new stories that have been collected, utilize new technologies such as our mobile guide app for *Canada: Day 1*, and engage audiences in new ways.

It is an honour to serve as the CEO of this respected and well-loved institution. I would like to extend my deep appreciation to the Honourable Shelly Glover for her support of the Museum during this time of growth. I am also deeply grateful to our Board of Trustees for their diligent commitment to our mission and vision. Our staff and volunteers have embraced change with gusto and they are looking forward to showing Canadians, and those beyond our borders, the fruits of their labour.

To our visitors, past and future, physical and virtual: thank you for joining us in exploring the theme of immigration to Canada and how we have all been shaped by those who have arrived on these shores.

Marie Chapman  
Chief Executive Officer





CFI-NAC-PA-187858-Berlin  
at Pier 21 Apr 20 1957

## About the Canadian Museum of Immigration at Pier 21

Pier 21 is a National Historic Site which was the gateway to Canada for almost one million immigrants between 1928 and 1971. It also served as the departure point for 368,000 Canadian military personnel during the Second World War. Pier 21 re-opened on July 1, 1999 as an interpretive centre, and in February 2011, it began operating as the Canadian Museum of Immigration at Pier 21 – Atlantic Canada’s only national museum.

The Canadian Museum of Immigration at Pier 21 is a federal Crown corporation. Its purpose is to explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada’s culture, economy and way of life.

## THE PROUD HISTORY OF PIER 21

Between 1928 and 1971, Pier 21 welcomed almost one million immigrants seeking adventure, employment, security and opportunity in Canada. They included refugees, evacuees, war brides and displaced children. They would go on to contribute immeasurably to Canada’s way of life and growth as a nation.

Pier 21 played another key role during the Second World War, providing a lifeline of supplies and personnel to Britain.

In 1971, Pier 21 ceased operating as one of Canada’s major immigration terminals due to the decline in the number of immigrants arriving by sea. However, its history would live on through the vision and dedication of the Pier 21 Society.

## THE PIER 21 SOCIETY MUSEUM

The Pier 21 Society, a non-profit charitable organization, was founded in 1988. Its dream was to transform the immigration shed into a world-class museum that would honour the people who passed through its doors and the importance of immigration throughout Canada’s history. Thanks to the tireless efforts and generosity of many supporters, the Pier 21 Museum opened on Canada Day 1999.

## BECOMING A NATIONAL MUSEUM

In June 2009, the Prime Minister announced that the Government of Canada would create a new national museum at Pier 21 to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada’s culture, economy and way of life. In February 2011, the Canadian Museum of Immigration at Pier 21 became the first national museum in Atlantic Canada.

On June 25, 2015, an expanded Museum will be launched, paying tribute to the important Pier 21 history, as well as the broader stories of immigration to our country, both historical and present day.

## MANDATE, ROLE AND GOVERNING LEGISLATION

On November 25, 2010, the legislation creating the Canadian Museum of Immigration at Pier 21 came into effect. Under the *Museums Act*, the Canadian Museum of Immigration at Pier 21 is a distinct legal entity, wholly-owned by the Crown. It operates at arm's length from the Government in its day-to-day operations and in its activities and programming.

The amendments to the *Museums Act* established the Museum's mandate:

*To explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and of the contributions of immigrants to Canada's culture, economy and way of life.*

As a Crown corporation and a member of the Canadian Heritage Portfolio, the Museum also contributes to the achievement of the federal government's broad policy objectives. Its primary public policy role is articulated in the preamble of the *Museums Act*, which states that, "Each [National Museum]:

- a) plays an essential role, individually and together with other museums and like institutions, in preserving and promoting the heritage of Canada and all its peoples throughout Canada and abroad, and in contributing to the collective memory and sense of identity of all Canadians; and
- b) is a source of inspiration, research, learning and entertainment that belongs to all Canadians and provides, in both Official Languages, a service that is essential to Canadian culture and available to all."

The Museum is governed by the Crown corporation control and accountability regime established under Part X of the *Financial Administration Act*. The Museum is also required to comply with a range of provisions in other statutes, including: the *Access to Information Act*; the *Privacy Act*; the *Official Languages Act and Regulations*; and the *Canada Labour Code*, among others.

## THE BOARD OF TRUSTEES

The Museum's Board of Trustees serves as its governing body and is accountable to Parliament for the stewardship of the Museum through the Minister of Canadian Heritage and Official Languages. The Board of Trustees is responsible for providing broad strategic direction and oversight.

The *Museums Act* provides for an eleven-member Board of Trustees that is appointed by the Minister with the approval of the Governor in Council. The Board is supported by four committees and an investment sub-committee. The four committees are:

**An Executive and Finance Committee**, to make decisions between Board meetings, provide oversight to financial planning and performance, capital projects, investments and assess the Director/Chief Executive Officer's performance.

**An Audit and Risk Oversight Committee**, to carry out the duties prescribed under section 148 of the *Financial Administration Act*, among others.

**A Human Resources, Governance and Nominating Committee**, to provide strategic direction and oversight to the management of the Museum's human resources.

**A Development Committee**, to provide strategic direction and oversight to the Museum's fundraising and development efforts.

Chair



**Tung Chan**  
Richmond, BC  
Term: November 25, 2010  
to March 6, 2017

Vice-Chair



**Troy Myers**  
Dartmouth, NS  
Term: March 5, 2013  
to March 5, 2018



**Mark Boudreau**  
Halifax, NS  
Term: December 9, 2010  
to March 5, 2017



**Ralph Chiodo**  
Toronto, ON  
Term: November 25, 2010  
to December 10, 2018



**John Hachey**  
Baie D'urfé, QC  
Term: April 10, 2014  
to April 9, 2018



**Richard (Cy) LeBlanc**  
Grande-Digue, NB  
Term: November 25, 2010  
to December 10, 2018



**Phuong T.V. Ngo**  
Orleans, ON  
Term: November 25, 2010  
to November 24, 2016



**Carrie Ross**  
Regina, SK  
February 26, 2015  
to February 25, 2019



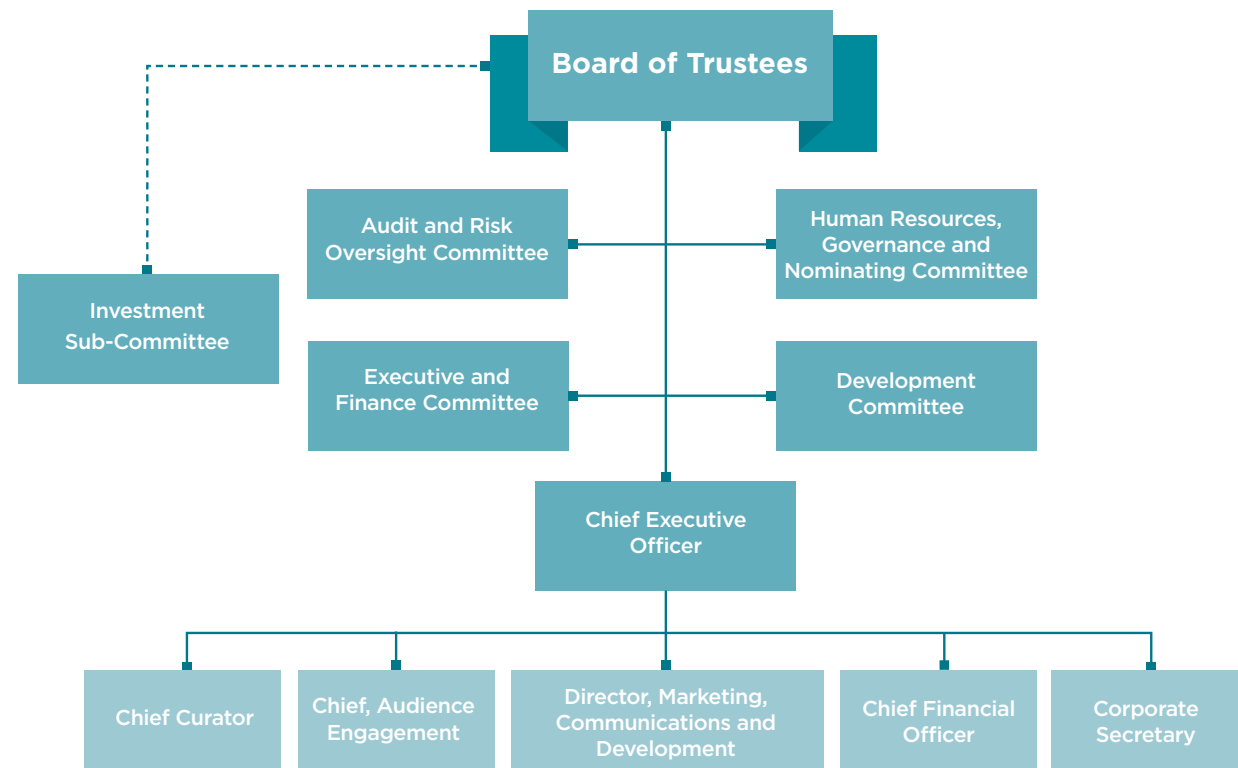
**James (Bradley) Stafford, CA**  
Vancouver, BC  
Term: September 29, 2011  
to September 28, 2015



**Dr. Frances Swyripa, PhD**  
Edmonton, AB  
Term: December 9, 2010  
to December 16, 2016

## MANAGEMENT AND STAFF

While the Board is accountable for results and the business activities of the Museum, the Chief Executive Officer, supported by a Senior Leadership Team, is accountable for the day-to-day administration of the Museum's performance and the achievement of objectives.



Museum staff and volunteers.

## THE SENIOR LEADERSHIP TEAM



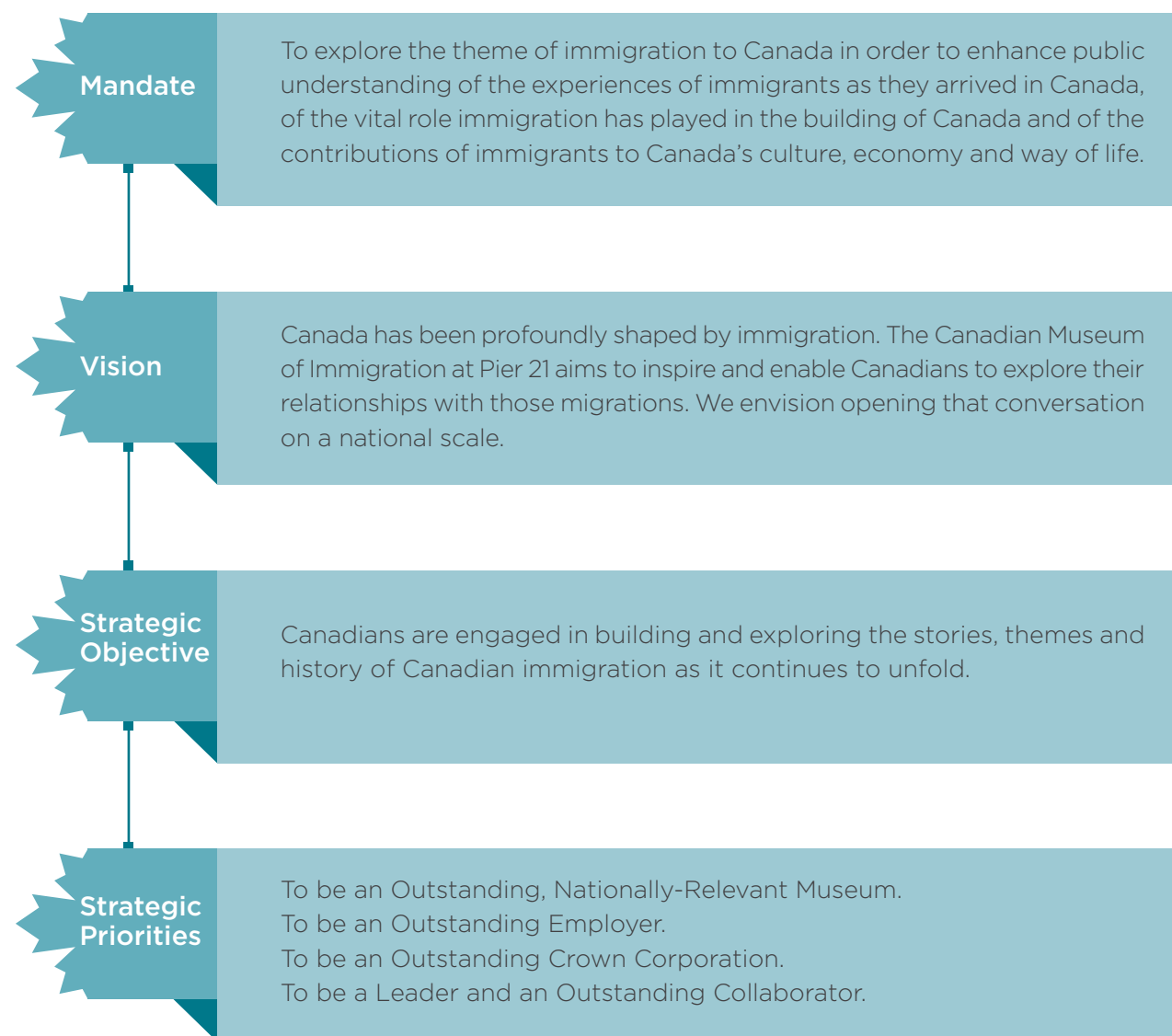
Left to right:  
Tanya Bouchard  
Kendall Blunden  
Marie Chapman  
Jennifer Tramble  
Carrie-Ann Smith  
Jennifer Sutherland  
Fiona Valverde

Marie Chapman, Director/Chief Executive Officer  
 Kendall Blunden, CA, Chief Financial Officer  
 Tanya Bouchard, Chief Curator  
 Carrie-Ann Smith, Chief, Audience Engagement  
 Jennifer Sutherland, Senior Advisor to the CEO  
 Jennifer Tramble, Corporate Secretary  
 Fiona Valverde, Director, Marketing, Communications and Development

The Museum had 53 full-time equivalent staff at the end of March 2015. In addition to the highly committed and dedicated staff, the Museum benefits from an extensive network of loyal volunteers.

## STRATEGIC DIRECTION

The Museum's strategic direction flows from its mandate and vision to objective and strategic priorities:



## KEY STRATEGIC PRIORITIES





## PROGRAM ALIGNMENT ARCHITECTURE

To provide the government and Parliament with performance information, the Museum has established a Program Alignment Architecture. It groups the Museum's key activities according to expected outcomes and defines strategic priorities, key results and activities for each.

The overall strategic objective to which all of the Museum's activities are directed is derived from its legislated mandate.

**Strategic Objective:** *Canadians are engaged in building and exploring the stories, themes and history of Canadian immigration as it continues to unfold.*

Key themes include:

- ✦ The vital role immigration has played in the building of Canada;
- ✦ The experience of immigrants as they arrive in Canada; and
- ✦ The ongoing contributions of immigrants to Canada's culture, economy and way of life.

### Strategic Objective

Canadians are engaged in building and exploring the stories, themes and history of Canadian immigration as it continues to unfold.

#### Program 1 Visitor Experience and Connections

Canadians have access to—and are engaged in building—Museum content and programming that reflects the diverse experiences and contributions of immigrants throughout Canada's history.

#### Program 2 Accommodations

The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for visitors, staff and volunteers; and are maintained in a cost-effective manner.

#### Program 3 Internal Services

Sound governance practices are in place and resources are effectively managed to support the achievement of the Museum's mandate.



Tino Masecchia's family immigrated from Italy to Montreal in 1965 - Photo credit Jonathan Bielanski.

## RESULTS

In the 2014-15 fiscal year, the Museum delivered on key priorities that will set the stage for the next period of growth. Highlights are as follows:

### STRATEGIC PRIORITY 1

## TO BE AN OUTSTANDING MUSEUM WITH NATIONAL RELEVANCE

### RESEARCH AND CONTENT DEVELOPMENT

Museum content explores the theme of Canadian immigration, regardless of point of entry, and the contribution of all immigrants to Canada's nation-building.

#### Key Commitments to March 31, 2015

- ✦ Actively collect engaging oral histories and stories that reflect the Museum's mandate, Canada's multicultural mosaic and its linguistic duality.
- ✦ Adopt policies and systems for the effective stewardship of these materials and make them available to Canadians both onsite and online.

#### Complete at March 31, 2015

- ✦ Per the Collection Development Strategy, engaging oral histories and stories that reflect the Museum's national mandate are being collected.
- ✦ A multi-year project to catalogue the Collection and make it accessible on the *CollectiveAccess* database continues. 85% of the existing Collection has been catalogued. On track to have 30% of the oral history and story collections online by March 2016.



Canadian Museum of Immigration at Pier 21 (©2013.839.34)

## INTERPRETATION AND CONNECTIONS

Exhibitions and programming are innovative, compelling, thought-provoking and reflect the diversity of the immigrant experience within Canada; and visitors, both onsite and virtual, have access to unique and innovative content and experiences in both Official Languages.

- ✦ Digital storytelling workshops were held in Victoria, BC; Sault St. Marie, ON; and Markham, ON.
- ✦ Continued expansion of the website and digital engagement strategies have increased the online content by 32%, web visitation exceeded the target by 55%.
- ✦ Continuation of popular programs such as the *Diversity Spotlight* film series, *Discover Culture* family program and community outreach programs attracted over 7,000 public programming visitors to the Museum.

### Key Commitments to March 31, 2015

- ✦ Develop new permanent exhibitions for the May 2015 opening of the expanded Museum.
- ✦ Launch and national roll-out of the Museum's first travelling exhibit, *Canada: Day 1*.
- ✦ Through the Digital Storytelling Project, work with hosts of the *Canada: Day 1* exhibit to gather stories from across Canada.
- ✦ Increase online content by 20% and expand content to more fully reflect the diversity of the immigration experience in Canada. Increase web visitation by 10% annually.
- ✦ Continue to showcase French language films and those that explore a wide range of cultures and historic themes through the *Diversity Spotlight* film series

### Complete at March 31, 2015

- ✦ Exhibition development nearing completion, the Museum reopens in May 2015 with a grand reopening in June 2015.
- ✦ The Museum's first travelling exhibition, *Canada: Day 1* was launched in Nanaimo, BC in June 2014 and is being booked at venues across Canada through 2017.



Visitors at the opening of the *Canada: Day 1* exhibit in Markham, ON.

## VISITOR EXPERIENCE

The visitor experience makes possible personal and emotional connections and builds audience loyalty and repeat attendance

- Visitor expectations and experiences were managed during the closure through communications, an enhanced web presence, a temporary location for the Scotiabank Family History Centre and off-site educational programming that reached almost 500 students.
- A guest speaker series was launched featuring the award-winning author Joseph Boyden, attracting almost 600 attendees.

### Key Commitments to March 31, 2015

- Further enhance the Museum's ability to provide a compelling visitor experience throughout the visit by providing for full integration, cross-training and knowledge-sharing of the visitor services staff and volunteers.
- Collect qualitative and quantitative visitor data to inform future plans for museum development and identify training needs.
- Manage visitor expectation and deliver onsite and online experiences during the Museum closure (November 2014 - May 2015).
- Launch a guest speaker series to attract new and repeat visitors.

### Complete at March 31, 2015

- More than 78,000 people experienced the Museum in 2014-15, including 33,500 paid visitors, 4,200 school children, 24,000 visitors to the Scotiabank Family History Centre, and 14,000 event and public programming participants. (It should be noted that the Museum was closed for 5 months during this period.)
- 93% of respondents surveyed rated their visitor experience as satisfying or very satisfying.



Visitors participating in a museum tour.

## ACCESS AND AWARENESS

Canadians in all regions of the country have greater access to the Museum's collection, expertise and programs and the Museum garners a high level of awareness and public support through strong and effective marketing and communications strategies.

### Key Commitments to March 31, 2015

- ✦ Implement a communication strategy to support the national roll-out of the first travelling exhibit, *Canada: Day 1*.
- ✦ Launch a mobile guide app to enhance the *Canada: Day 1* experience.
- ✦ Develop an integrated marketing and communications plan to launch the expanded Museum.
- ✦ Continue to grow our mailing list through active offer to museum patrons and build audience engagement through a monthly e-newsletter.
- ✦ Leverage opportunities for revenue generation and public awareness in conjunction with the Museum's second annual public meeting outside of Halifax and Canada's 150th anniversary celebrations.

### Complete at March 31, 2015

- ✦ Successful launch of the *Canada: Day 1* exhibition in Nanaimo, BC and Markham, ON as evidenced by positive media coverage, visitation, and mobile guide app downloads by more than 450 users. The exhibit will travel across Canada as part of the 2017 commemoration activities.

- ✦ An integrated marketing, communications and digital launch plan has been developed for the Museum's reopening and will commence in May 2015.
- ✦ More than 1,470 subscribers to the HTML newsletter.
- ✦ The Museum's annual public meeting in Toronto in June 2014 attracted 100 attendees and featured the launch of the Museum's new film and recognition of major gifts donors.



Mythili Kalyanasundaram immigrated to Canada from India in 1984. She is featured in the Museum's advertising campaign, *Canada Shaped by the World*.  
- Photo credit Jonathan Bielanski.

## STRATEGIC PRIORITY 2

# TO BE AN OUTSTANDING EMPLOYER

## INTERNAL SERVICES

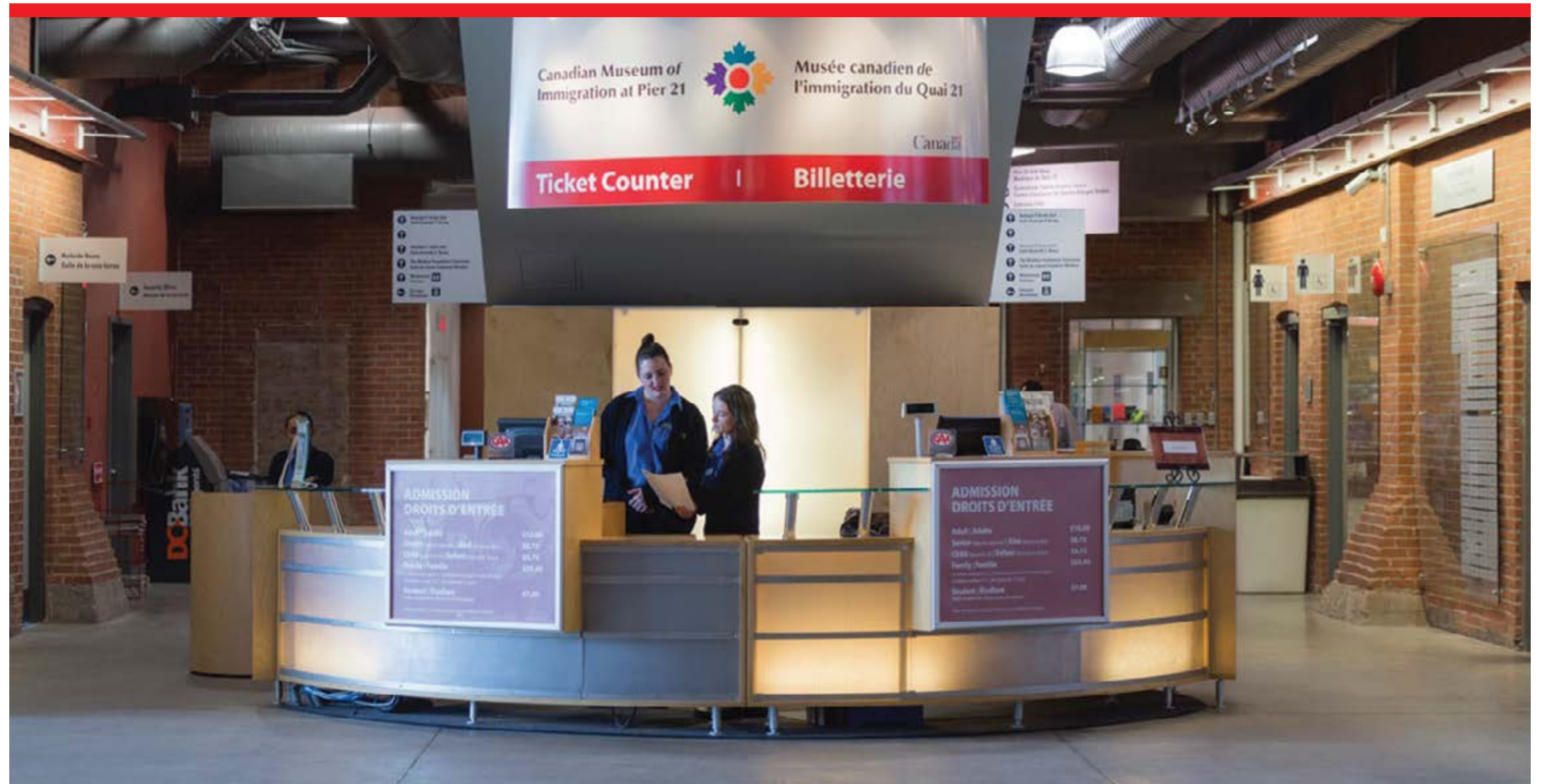
The Corporation will be a model for progressive, innovative and sound management practices. It will continue to have empowered, entrepreneurial and dynamic employees and volunteers who are respectful of the Museum's mission and mandate.

### Key Commitments to March 31, 2015

- ✦ Implement a performance management program across the corporation that recognizes results and the Museum's core values.
- ✦ Offer room for advancement and learning within the organization, supported by training, development and education opportunities.

### Complete at March 31, 2015

- ✦ High level of staff engagement and involvement in the thematic and capital expansion.
- ✦ Continued engagement of more than 90 volunteers during the Museum closure.
- ✦ 84% of employees participated in professional development and educational opportunities.
- ✦ 62% of staff are either bilingual or are participating in language training, along with some volunteers.



## STRATEGIC PRIORITY 3

# TO BE AN OUTSTANDING CROWN CORPORATION

## SOUND GOVERNANCE

The Corporation meets or exceeds recognized standards for Corporate Governance and has in place the instruments that are conducive to sound management and accountability.

### Key Commitments to March 31, 2015

- ✦ Further refine the Museum's Performance Management Framework as a tool for monitoring and reporting on performance, and for course-correction as required.
- ✦ Implement the internal audit plan and act on key findings.
- ✦ Hold the Museum's third annual public meeting, which all Crown corporations are required to hold as a good governance practice, in Toronto in June 2014.

### Complete at March 31, 2015

- ✦ No negative reports from the Office of the Auditor General related to corporate governance.
- ✦ Two internal audits completed, facility rentals and capital expansion, with findings implemented.
- ✦ Continued positive results from the Board of Trustees' annual governance self-assessments.
- ✦ The Museum's annual public meeting was held in Toronto in June 2014 with 100 donors, media and friends in attendance.



The Museum's Annual Public Meeting in Toronto, June 2014.

## SOUND MANAGEMENT OF RESOURCES

The organization and its resources are aligned in a way that enables the Museum to achieve its mandate and to adopt sound and efficient governance and stewardship practices.

### Key Commitments to March 31, 2015

- ✦ No negative feedback from the Office of the Auditor General on the corporation's governance, resource and risk management practices and financial controls.
- ✦ Achieve self-generated revenue targets of \$1.79 million (23% of operating appropriations).
- ✦ Identify, cultivate and solicit major gift donors for new Museum spaces and programs, continue to steward past donors and continue with successful special event fundraisers.
- ✦ Work with sister national museums on shared services, opportunities for collaborative promotions and shared programming.

### Complete at March 31, 2015

- ✦ No negative feedback from the Office of the Auditor General.
- ✦ Achieved self-generated revenues of \$1.73 million, slightly below the target of \$1.79 million, but up over the \$1.5 million in 2013-14.
- ✦ Two new major gifts secured totalling \$500,000 with work underway for more in 2015-16. A leadership level annual giving club (the Pier 21 Club) was launched and will continue annually. All fundraising events surpassed targets.
- ✦ Work with other national Museums has resulted in procurement savings and collaboration in areas including programming, co-production of exhibits and artifact loans.



Board Chair Tung Chan at the Annual Public Meeting.

## ACCOMMODATIONS

The Museum's facilities are upgraded and/or expanded as appropriate to provide suitable and accessible space for visitors, staff, volunteers and exhibits/programming; and construction projects are governed by an effective project management regime, including robust risk management strategies and respect the heritage aspects of the site.

### Key Commitments to March 31, 2015

- ✦ Refit the existing exhibition spaces (the Kenneth C. Rowe Hall and the Rudolph P. Bratty Hall) and renovate and refit new space in Shed 22 in preparation for the opening of the new permanent exhibit in May 2015.
- ✦ Complete design, fabrication and installation of new exhibitions for May 2015 opening.
- ✦ Continue to manage contracts in a sound, transparent and accountable manner, on time and within budget, employing effective project and risk-management practices throughout.

### Complete at March 31, 2015

- ✦ The Museum will reopen in May 2015 with the grand reopening in June 2015. The project is on track to be completed on time and on budget.
- ✦ Continued management of contracts in a sound, transparent and accountable manner, on time and within budget, employing effective project and risk-management practices.



The new Kenneth C. Rowe Hall, a popular event venue.

## BUILDING OPERATIONS AND SECURITY

The Museum's facilities are safe, accessible and maintained in a cost-effective manner.

### Key Commitments to March 31, 2015

- ✦ Ensure the appropriate measures are in place to provide for the ongoing safety and security of staff, volunteers, visitors and museum materials; and for accessibility to all.
- ✦ Continue to implement operating efficiencies embedded in the renovation and expansion (i.e. the move to natural gas for the HVAC system) and to benefit from operational efficiencies and cost savings due to the fully operational HVAC, electrical and communications systems.

### Complete at March 31, 2015

- ✦ Continued compliance with all applicable codes and zero accidents on-site.
- ✦ Operating efficiencies from the new HVAC, electrical and communications systems are being realized.



Construction in the new exhibition space.



## STRATEGIC PRIORITY 4

TO BE A LEADER AND OUTSTANDING  
COLLABORATOR

## NATIONAL OUTREACH AND PARTNERSHIPS

The Museum is a valued partner of sister museums where partnerships result in shared exhibits, cross-training and meaningful work that furthers the respective mandates of each; and the Museum is viewed as a positive partner with other key stakeholders including other museums, cultural and immigration groups, universities and tourism organizations

## Key Commitments to March 31, 2015

- ✦ National roll-out of the first travelling exhibit, *Canada: Day 1*, including digital storytelling workshops to capture immigration stories across the country.
- ✦ Establish five relationships with museums or key cultural groups across the country to support the permanent exhibit, travelling exhibit and other national programming.
- ✦ Build on the connections established with the other national museums in an effort to partner on exhibits and the sharing of resources and learning.

## Complete at March 31, 2015

- ✦ Successful launch of the *Canada: Day 1* exhibition in Nanaimo, BC and Markham, ON. Continued expansion of the Digital Storytelling Project with workshops in Victoria, BC, Markham, ON and Sault Ste. Marie, ON.
- ✦ Relationships established across the country for the continued roll-out of *Canada: Day 1*.

- ✦ Working with the Canadian Museum of History to co-produce *Canada's Titanic – the Empress of Ireland* exhibit.
- ✦ Ongoing collaboration with other national Museums and portfolio organizations such as the CBC/Radio-Canada, National Film Board of Canada and Library and Archives Canada on areas of content development including shared exhibits, research and artifacts. Artifacts from 24 institutions will be on display in the new exhibitions.



A statue commemorating the Saint John Riot, 1849.  
Collection of the Canada Museum of History



## HIGHLIGHTS FROM 2014-15

- Museum Expansion
- *Canada: Day 1*
- Educational Programs Bring History to Life
- Scotiabank Family History Centre
- Guest Speaker Series
- Oral History Program
- Special Events

## MUSEUM EXPANSION



Dutch Kist

In November 2014, the Museum closed for the final stage of a five-year expansion that doubles the Museum's exhibition space.

The Museum reopens in May 2015 with a newly renovated Pier 21 exhibition, dedicated to Pier 21's rich history as an immigration facility from 1928 to 1971—the family history of more than one in five Canadians today.

A second exhibition tells the broader story of immigration to Canada and will be unveiled at the Museum's grand reopening in June 2015. This new section showcases the vast contributions of immigrants to Canada's culture, economy and way of life, from past to present day.

This expansion was made possible by the financial support of the Government of Canada.

## CANADA: DAY 1

Presented by the RBC Foundation



Canada: Day 1  
Exhibit Markham  
Museum.

The immigration experience is marked by firsts. The first day in a new country takes shape with an individual's first steps, first impressions and first experiences.

This year, the Museum launched its first travelling exhibition, *Canada: Day 1*, and its complementary community outreach programs and mobile guide app.

Thanks to the RBC Foundation's support of *Canada: Day 1*, visitors will be able to explore immigrants' diverse personal Day 1 experiences that span from Confederation to present day. Through moving personal stories, images, original artworks and interactive digital experiences, visitors will be transported back to their first day in Canada, or inspired to imagine being in a newcomer's shoes.

The exhibition will travel across the country as part of the Road to 2017 events. Canadians will be engaged through various community outreach programs that include Digital Storytelling Workshops, as well as learning opportunities in local schools.

Together, we will pay tribute to Day 1 — a key milestone in the immigration journey — and highlight unique and shared immigration experiences.

## EDUCATIONAL PROGRAMS BRING HISTORY TO LIFE



An important part of the Museum's role is to engage learners of all ages. This year, the Museum launched a new program for grade six students called *Immigration Remixed*.

Combining history with innovative technology, students can look behind the scenes in the Museum's collection and exhibits to find stories, objects and images of courage, sacrifice, inspiration and heartache. They then use tablets to build digital music remixes using what they have discovered. In this way, students can connect with the thoughts and feelings of real immigrant children of the past and put themselves in a newcomer's shoes.

This program went on the road during the Museum's closure, and was delivered to 19 classes across the province, reaching almost 500 students. Thanks to the generous support of CIBC, *Immigration Remixed* will be a key program offering of the Museum's new school group education program.

## SCOTIABANK FAMILY HISTORY CENTRE



Emma Cuzzolino Marotta visits the Scotiabank Family History Centre to commemorate the 60th anniversary of her arrival in Canada.

The Museum's Scotiabank Family History Centre is a special place where family roots are discovered and connections are made. Every day, staff members who are passionate about genealogical research help onsite and online visitors research their roots.

In 2014-15, almost 24,000 visitors learned more about their immigration story at the Scotiabank Family History Centre.

"We ended our day at Pier 21 with a visit to the Scotiabank Family History Center... This facility allows us as immigrants to find the answers to questions that we neglected to ask our families before they passed on. I am so grateful for the existence of Pier 21."

- Judith Hughes, English immigrant, 1948, Aquitania

## GUEST SPEAKER SERIES



On Friday, May 30, 2014, the Museum launched a new guest speaker series featuring award-winning author Joseph Boyden.

That afternoon, Mr. Boyden spoke to high school students from across Nova Scotia about war and peace, relating it to his novel *The Orenda*, and the Museum's temporary exhibit *Peace*. That evening, he hosted a book reading followed by a discussion and book signing. These very successful events attracted over 600 participants to the Museum.

## ORAL HISTORY PROGRAM



Sisters Vida Lietuvinkas and Roma Pingitore arrived from Germany as Lithuanian displaced persons in 1948. Their story is in the BMO Oral History Gallery.

Documenting, preserving and sharing Canada's immigration story is at the heart of what we do. As part of the Museum's ongoing Oral History Program, people's firsthand immigration experiences and memories are recorded through in-depth oral history interviews led by Museum historians. These recorded stories form part of the country's historical memory and provide an opportunity to listen to how individuals remember and make sense of their immigration experiences.

In 2014-15, our Oral History team continued to travel across the country. They documented the oral histories of 115 people from 45 countries.

Oral histories will be featured in the new BMO Oral History Gallery in the expanded Museum.

## SPECIAL EVENTS FASCINATING CANADIAN SPEAKER SERIES



Mr. Kenneth C. Rowe

The popular Fascinating Canadian speaker series continued in 2014-15, with events in Halifax in October 2014, and Vancouver in March 2015.

This year, Mr. Kenneth C. Rowe, C.M., C.B.H.F., inspired the Halifax audience with his personal experience and his perspective on how newcomers can help grow Nova Scotia's economy.

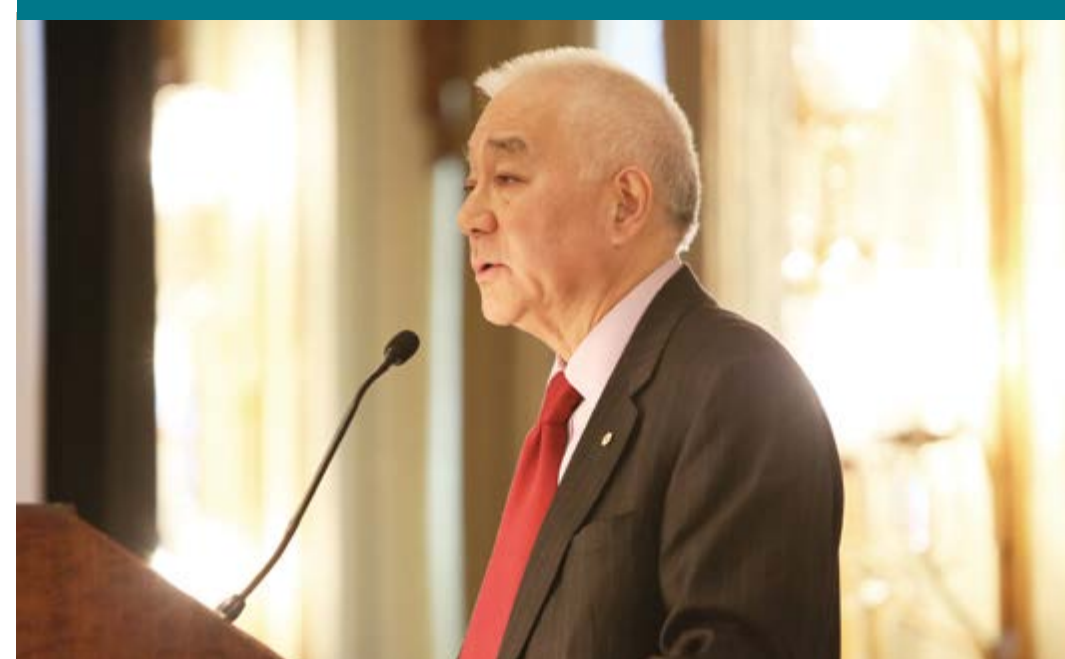
***"In the private sector, we know that there is nothing more constant than change. We should all try to make sure that the future changes that inevitably will take place will result in a better and more secure future for all Nova Scotians."***

- Kenneth C. Rowe, C.M., C.B.H.F

**Thanks to Title Sponsor:** Nova Scotia Office of Immigration

**Patron Sponsors:** IMP Group, RBC, McInnes Cooper and Nova Scotia Power

## SPECIAL EVENTS FASCINATING CANADIAN SPEAKER SERIES



Mr. Brandt C. Louie

In Vancouver, Mr. Brandt C. Louie, O.B.C., LL.D., F.C.A., President and CEO of H.Y. Louie Co. Ltd. and CEO, Chairman and President of London Drugs Ltd., shared his family history of how hard work, determination, as well as their desire to embrace Canada's values fueled their success. He also shared his perspective on Canada's challenges and triumphs as we continue to shape the future of our nation together.

***"And so it is with all those that settle within our borders to establish a new life. In time, they will build businesses, communities, and their own legacies. Together with all Canadians, they will build our future."***

- Brandt C. Louie, O.B.C., LL.D., F.C.A.

**Thanks to Title Sponsors:** Concord Pacific, Goldcorp

**Patron Sponsor:** RBC

**Ethnic Media Sponsor:** What's In Media Group

## SPECIAL EVENTS

### CALIFORNIA WINE DINNER



Event chairperson Lee Harwood (far left) and inaugural Board chair John Oliver (far right) with event attendees.

The annual California Wine Dinner is one of the Museum's most successful fundraisers. The 2014 event was no exception!

Thanks to the hard work of the committee; the generosity of the patrons; and the support of the following sponsors, the dinner raised over \$135,000.

**Thanks to Hosts:** Consul General of the United States of America in Halifax, Society for American Wines Halifax Chapter, St. Clement Vineyards

**Gold Sponsors:** McInnes Cooper, Scotiabank

**Silver Sponsors:** BMO Nesbitt Burns, Chronicle Herald, Eastlink, Ernst&Young, Fidelity Investments, iShares by Blackrock, Kinross, Man, Picton Mahoney Asset Management, PIMCO, Polar Securities, Purpose Investments, RBC, Russell Investments, ScotiaMcLeod, , WM Fares Group

## MANAGEMENT DISCUSSION AND ANALYSIS

The amendments to the *Museums Act* that created the Canadian Museum of Immigration at Pier 21 (the Museum) as a Crown corporation defines its primary purpose. Its core business is to engage Canadians in building and exploring the stories, themes and history of Canadian immigration as it continues to unfold.

It does this through three program areas:

### Visitor Experience and Connections:

Canadians have access to – and are engaged in building – Museum content and programming that reflects the diverse experiences and contributions of immigrants throughout Canada's history.

**Accommodations:** The Museum's facilities contribute to a rich, welcoming and engaging visitor experience; are safe and accessible for visitors, staff and volunteers; and are maintained in a cost-effective manner.

**Internal Services:** Sound governance practices are in place and resources are effectively managed to support the achievement of the Museum's mandate.

### Performance

The 2014-15 fiscal year is the fifth year of operations for the Canadian Museum of Immigration at Pier 21. As detailed throughout this Annual Report, the Museum has achieved significant results against all commitments made in the 2014-15 Corporate Plan. Delivery on key priorities has set the stage for the launch of the expanded Museum in June 2015.

### Financial Results and Outlook

In February 2011, the Museum began operating as a Crown corporation and has worked to achieve its mandate of a truly national museum. It has put in place the facilities, the technology and the team

to grow the Museum both in size and scope. In the 2014-15 fiscal year, the Museum delivered on key priorities that will set the stage for the completion of this period of growth, including:

- ✦ Significant work took place on the capital and thematic expansion project. The expanded Museum will reopen in May 2015 and with a launch celebration in June 2015.
- ✦ The Museum's first travelling exhibit, *Canada: Day 1*, was launched in June 2014. *Canada: Day 1*, will travel across Canada as part of the Road to 2017 commemoration activities.
- ✦ The digital story telling project and the oral history program gathered immigration stories from across Canada.
- ✦ An enhanced web presence and new digital engagement strategies increased online content and attracted virtual visitors to the Museum.

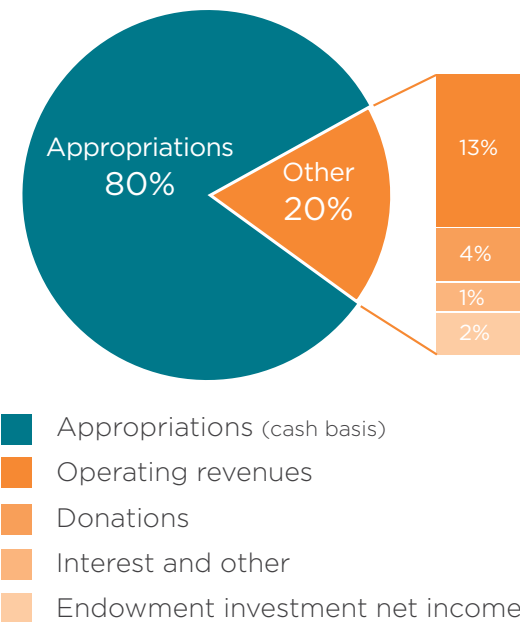
One new full-time position was staffed in 2014-15, leaving just three new positions to be staffed in 2015-16 to bring the Museum to full complement. It should be noted that the full complement of 56 staff is below the projection of 60 full-time equivalent staff initially approved by government. The Museum feels it can effectively operate with this reduced complement and believes it is prudent to minimize full-time commitments.

### Operations

The operating results for the year yielded a net income of \$724,000. When combined with \$2,533,000 in unrestricted net assets from 2013-14 and the current year \$224,000 recapitalization of the endowment fund, this results in unrestricted net assets at March 31, 2015 of \$3,033,000.

The funds available for the operations of the Museum are parliamentary appropriations and self-generated revenues, which include operating revenue, donations, interest and other, and endowment investment net income.

## 2014-15 Source of Operating Funds



On an accrual basis, appropriations decreased \$7,000 for the year ended March 31, 2015, from \$8,927,000 to \$8,920,000. The Museum began receiving in 2012-13 its \$7,700,000 on-going operating appropriation base as approved by Parliament. The remaining \$1,220,000 reflected in appropriations for the year ended March 31, 2015 is the amortization of deferred contributions related to capital assets.

Self-generated revenues including operating revenues, donations, and interest and other revenues were \$1,728,000 for the year ended March 31, 2015, compared to \$1,521,000 in 2013-14 and are lower than budget. The increase is mainly due to higher donations, increased programming revenues, and higher ticket and Scotiabank Family History Centre sales offset by lower hall rentals and gift shop sales. Donations increased compared to the prior year but were still under budget for 2014-15, both fluctuations attributed to the timing of major gifts receipts. Programming includes the rental fee for the travelling exhibit *Canada: Day 1* which started touring during the year. Despite the temporary closure of the Museum at the end of October 2014, the number of visitors increased compared to the previous year which generated increases in sales.

In addition to self-generated revenues, \$575,000 was also recognized during the year; representing a rent refund due to the landlord's overestimation for the last three years of the Museum's proportionate share of the property's operating costs (also known as common area costs).

Net income earned on the endowment investments of \$224,000 is included in the Statement of Operations for the year ended March 31, 2015 and was used for capital preservation by the Museum, in accordance with the Endowment Fund policies, as approved by the Board of Trustees. (This amount is reflected in the 2014-15 financial statements as a transfer from unrestricted net assets to endowment net assets.)

Unrealized gains and losses on investments are not recorded as revenue but as accumulated remeasurement gains or losses in the Statement of Financial Position. A net increase in the accumulated remeasurement gains of \$321,000 was recorded for the year, which results in an overall net positive performance for the endowment investments of \$545,000 compared to \$102,000 for 2013-14.

Expenses for the year ended March 31, 2015 were slightly higher than 2014, from \$11,206,000 in 2013-14 to \$11,235,000 and were lower than budget. Increased expenses were planned in the budget and are primarily due to the Museum's expanded operations which were offset by the reduction of the common area costs in rent and related costs. The most significant increases were \$316,000 in personnel costs resulting in part from the planned increase in the number of employees and the net increase of \$225,000 in rent and related costs. The increase was due to the rent rate increase net of the lower adjusted rate for common areas costs, and the addition of Shed 22 space. They were offset by a reduction of \$343,000 in exhibition and programming mainly due to the completion of the development of *Canada: Day 1* and \$163,000 in marketing, promotion and recognition due to the 2013-14 national ad campaign.

## Financial Position

Assets increased by \$3,911,000 to \$35,513,000 at March 31, 2015, due primarily to the increases in capital assets of \$7,299,000, endowment cash and investments of \$1,035,000 and accounts receivable of \$716,000 offset by the decrease in cash of \$4,868,000 and prepaids of \$245,000. The increase in capital assets is primarily capital projects – work in progress related to the expansion of the Museum. The increase in accounts receivable is mainly due to the HST receivable on costs associated with the capital project. The decrease in cash is largely attributable to acquisition of capital assets for the expansion of the Museum. The decrease in prepaid expenses is mainly due to the *Empress of Ireland* exhibit opening at the Museum of History, an exhibit developed in partnership.

Endowment cash and investments were \$7,800,000 at March 31, 2015, compared to \$6,765,000 in 2014. The increase consists of endowment contributions received of \$490,000, and realized and unrealized endowment investment income of \$545,000 which represents the overall net performance of the endowment fund for the year.

Total liabilities increased by \$2,376,000 to \$24,667,000 at March 31, 2015 primarily due to a \$984,000 increase in accounts payable and accrued liabilities and \$1,504,000 increase in deferred contributions related to capital assets offset by a decrease of \$112,000 in deferred revenue. The increase in accounts payable and accrued liabilities is mainly due to costs associated with the capital project. The increase in deferred contributions related to capital assets is attributable to the appropriations and contributions received for capital projects and amortization. The decrease in deferred revenue is due to the timing of rental revenue received.

Net assets include the unrestricted net assets and the net assets related to the endowment fund. The unrestricted net assets increased by \$500,000 to \$3,033,000 at March 31, 2015 due to this year's net results of operations offset by the recapitalization of the endowment.

The net assets related to the endowment fund of \$7,813,000 at March 31, 2015, include the cumulative endowment contributions of \$7,273,000, the accumulated unrealized gains of \$258,000 and the internally restricted net assets of \$282,000. Endowment net assets increased by \$1,035,000 at March 31, 2015, due to \$490,000 in contributions received, the recapitalization of \$224,000 and the change in unrealized gains and losses of \$321,000.

## Business Risks

### Financial Risks

The Museum is exposed to a variety of financial risks related to its activities and to its endowment cash and investments. These risks include credit risk, liquidity risk and market risk (foreign currency, interest rate and other price risks).

The long-term goal of the Museum's investment policy for the endowment fund is to produce long-term real returns to supplement the costs of programming, education, accessibility to education and other such areas, while permanently maintaining the endowment principal.

In order to manage risk concerning the endowment cash and investments, the Museum invests in a diversified portfolio that is managed by professional investment managers. The Museum's investments are guided by an investment policy approved by the Board and reviewed on an annual basis. The Museum is assisted in the oversight and management of its portfolio by an Investment Committee that includes independent experts with experience in the investment field. In addition, the Museum uses the services of an independent investment advisor to assist the Investment Committee in its work. As the investment markets continue to evolve, the Investment Committee recommends adjustments to the asset mix to maximize return while minimizing the overall risk of the portfolio and sets target allocations allowing asset class allocations to vary within a specified range.

The Board and Management have determined that all present financial risks are at an acceptable level. A detailed analysis of the financial risks is provided in the notes to the financial statements.



## Other Business Risks

Payments in Lieu of Taxes (PILT) does not yet represent a significant financial pressure for the Museum, as is the case for other national museums. PILT, a non-discretionary fixed cost, is compensation paid to municipalities for the losses of property taxes incurred for Crown-owned properties, which are not subject to taxation. In 1996, Treasury Board approved a management regime that devolved the responsibility for funding PILT from Public Works and Government Services Canada (PWGSC) to individual organizations. Unlike PWGSC, most departments, agencies and Crown corporations did not receive the authority to seek annual adjustments in their appropriation to reflect PILT increases. It was anticipated that this could eventually pose challenges to small cultural organizations like museums. Discussions continue with Central Agencies, PWGSC and other relevant departments to find an appropriate solution to this issue.

Unlike other national museums, the Museum does not own the Pier 21 premises but leases from the Halifax Port Authority, a related party. In 2014-15, the Museum saw a significant increase in annual rent as per the 40-year lease agreement negotiated on behalf of the Museum with the additional space, and it will continue to increase over the period of the lease. This represents a significant pressure for the Museum that is not covered by operating appropriations.

Financial pressures will become increasingly significant beyond 2015-16 when rent and salary increases, and capital expenses are not included in appropriation levels. Budgets for the next few years are projected to be balanced; however it should be noted that it is based on stringent expense management, increased visitation and revenue generation upon the opening of the expanded Museum, and ambitious fundraising targets.

## Financial Stability And Capacity To Generate Revenues

Long before becoming a Crown corporation, the organization operated as a self-sustaining, non-profit society. The organization has a proven track record of living within its means and not exceeding its budget and will continue to do so in the coming years.

The Museum is confident that it can manage with existing resources in the short-term but will face significant challenges to long-term financial sustainability.

In 2015-16, personnel costs and non-discretionary costs to operate the building will exceed the government appropriations of \$7,700,000. While self-generated funds can cover the costs of programming, marketing, outreach and administration for the next five years, this is not sustainable over the longer term. In addition, there are capital requirements forecast for the medium to longer term that will require funding beyond what the Museum can generate on its own.

The Board of Trustees and management are firmly committed to growing the proportion of the budget that comes from self-generated revenues including tickets sales, rental revenue, gift shop, and fundraising activities which include major gifts, planned giving, special events and annual giving.



Financial Statements of

## CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2015

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Management has prepared the financial statements contained in this annual report in accordance with Canadian public sector accounting standards applicable to government not-for-profit organizations, and the integrity and objectivity of the data in these financial statements are Management's responsibility. The financial statements include some amounts that are necessarily based on Management's estimates and judgment. Financial information presented throughout the annual report is consistent with the financial statements.

In discharging its responsibility for the integrity and fairness of the financial statements, Management has developed and maintains books of account, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the reliability of the financial information; that assets are safeguarded and controlled; and that transactions are in accordance with the *Financial Administration Act* (FAA) and regulations as well as the *Museums Act* and the Museum's by-laws.

The Board of Trustees is responsible for ensuring that Management fulfills its responsibilities for financial reporting and internal control. The Board has established an Audit and Risk Oversight Committee in compliance with section 148 of the FAA. Management does not sit on the Audit and Risk Oversight Committee; however the Committee meets with Management, the Museum's internal auditor and the independent external auditor to review the manner in which the responsibilities for financial statements are being performed and to discuss auditing, internal controls and other relevant financial matters. The Audit and Risk Oversight Committee has reviewed the financial statements with the external auditor. On the recommendation of the Audit and Risk Oversight Committee, the Board has approved the financial statements contained in this report.

The Museum's external auditor, the Auditor General of Canada, examines the financial statements and reports to the Minister of Canadian Heritage and Official Languages, who is accountable to Parliament for the Canadian Museum of Immigration at Pier 21.



Marie Chapman  
Chief Executive Officer



Kendall J. Blunden, CA  
Chief Financial Officer

June 24, 2015

**INDEPENDENT AUDITOR'S REPORT**

To the Minister of Canadian Heritage and Official Languages

**Report on the Financial Statements**

I have audited the accompanying financial statements of the Canadian Museum of Immigration at Pier 21 which comprise the statement of financial position as at 31 March 2015, and the statement of operations, statement of remeasurement gains and losses, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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.

*Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Canadian Museum of Immigration at Pier 21 as at 31 March 2015, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Report on Other Legal and Regulatory Requirements**

As required by the *Financial Administration Act*, I report that, in my opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, the transactions of the Canadian Museum of Immigration at Pier 21 that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part X of the *Financial Administration Act* and regulations, the *Museums Act* and the by-laws of the Canadian Museum of Immigration at Pier 21.

Heather McManaman, CA  
Principal  
for the Auditor General of Canada

24 June 2015  
Halifax, Canada

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

## Statement of Financial Position

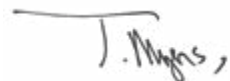
As at March 31, 2015  
(in thousands of dollars)

	2015	2014
<b>Assets</b>		
Current assets		
Cash	\$ 6,577	\$ 11,445
Accounts receivable (note 3)	1,210	494
Inventory	110	136
Prepaid expenses	64	309
	7,961	12,384
Endowment cash and investments (note 9 a))	7,800	6,765
Capital assets (note 4)	19,751	12,452
Collections (note 5)	1	1
	\$ 35,513	\$ 31,602
<b>Liabilities and net assets</b>		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	\$ 2,205	\$ 1,221
Deferred revenue (note 7)	69	181
Deferred contributions related to capital assets (note 8)	22,393	20,889
Net assets		
Unrestricted	3,033	2,533
Internally restricted (note 10)	282	282
Accumulated remeasurement gains (losses)	258	(63)
Endowment (note 9 b))	7,273	6,559
	10,846	9,311
	\$ 35,513	\$ 31,602

Contractual obligations (note 13)

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

On behalf of the Board of Trustees:


Tung Chan  
Chair of the Board of Trustees

Troy Myers  
Vice Chair of the Board of Trustees**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

## Statement of Operations

For the year ended March 31, 2015  
(in thousands of dollars)

	2015	2014
<b>Revenues</b>		
Operating (schedule 1)	\$ 1,242	\$ 1,260
Amortization of deferred contributions related to capital assets transferred from Pier 21 Society (note 8)	488	512
Amortization of deferred contributions related to capital assets received from a related party (note 8)	24	24
Donations	362	179
Rent refund (note 11)	575	-
Interest and other	124	82
	2,815	2,057
<b>Expenses (schedule 2)</b>		
Visitor experience and connections	3,401	3,502
Accommodation	3,939	3,688
Internal services	3,895	4,016
	11,235	11,206
Net result of operations before appropriations and endowment investment net income	(8,420)	(9,149)
Appropriations (note 12)	8,920	8,927
Endowment investment net income (note 9)	224	162
Net result of operations	\$ 724	\$ (60)

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

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

## Statement of Remeasurement Gains and Losses

For the year ended March 31, 2015  
(in thousands of dollars)

	2015	2014
Accumulated remeasurement gains (losses), beginning of year	\$ (63)	\$ (3)
Realized (gains) losses on endowment investments reclassified to operations	(25)	(33)
Unrealized gains (losses) on endowment investments	346	(27)
Accumulated remeasurement gains (losses), end of year	\$ 258	\$ (63)

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

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

## Statement of Changes in Net Assets

For the year ended March 31, 2015  
(in thousands of dollars)

	Unrestricted	Internally restricted	Accumulated remeasurement gains (losses)	Endowment	2015	2014
Net assets, beginning of year	\$ 2,533	\$ 282	\$ (63)	\$ 6,559	\$ 9,311	\$ 9,025
Net result of operations	724	-	-	-	724	(60)
Transfer to (from) (note 10)	(224)	-	-	224	-	-
Remeasurement gains (losses)	-	-	321	-	321	(60)
Contributions received for endowment (note 9 b))	-	-	-	490	490	406
Net assets, end of year	\$ 3,033	\$ 282	\$ 258	\$ 7,273	\$ 10,846	\$ 9,311

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

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

## Statement of Cash Flows

For the year ended March 31, 2015  
(in thousands of dollars)

	2015	2014
<b>Operating activities</b>		
Appropriations received	\$ 7,700	\$ 7,727
Other cash received	1,010	1,698
Cash paid to employees and suppliers	(7,859)	(9,561)
Interest received	123	79
	974	(57)
<b>Capital activities</b>		
Acquisition of capital assets	(8,854)	(2,191)
	(8,854)	(2,191)
<b>Investing activities</b>		
Increase in endowment cash and investments	(714)	(568)
	(714)	(568)
<b>Financing activities</b>		
Appropriations received for the acquisition of capital assets	2,200	10,750
Contributions received for the acquisition of capital assets	1,036	-
Contributions to endowment	490	406
	3,726	11,156
Increase (decrease) in cash	(4,868)	8,340
Cash, beginning of year	11,445	3,105
Cash, end of year	\$ 6,577	\$ 11,445

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

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

## Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**1. Authority, objectives and operations**

The Canadian Museum of Immigration at Pier 21 (the "Museum") was established on November 25, 2010 under the *Museums Act*. The transfer and assignment of assets, contracts and records from the Pier 21 Society and Pier 21 Foundation occurred on February 3, 2011. The Museum is an agent Crown corporation named in Part I of Schedule III of the *Financial Administration Act* and is not subject to the provisions of the *Income Tax Act*.

The Museum's mandate is to explore the theme of immigration to Canada in order to enhance public understanding of the experiences of immigrants as they arrived in Canada, of the vital role immigration has played in the building of Canada and the contributions of immigrants to Canada's culture, economy and way of life.

The Museum's operations are divided into three mutually supportive activities which work together to meet all aspects of its mandate. These activities are:

## a) Visitor experience and connections

To provide research and content development; interpretation and connections including public programming and exhibits; national outreach and partnerships; and visitor services and amenities including volunteers' activities.

## b) Accommodation

To manage accommodation focussing on building operations; security; and leasehold improvements including capital projects.

## c) Internal services

To provide governance; resource management; development and public affairs which include marketing, communications, commercial activities, facilities rentals, sponsorships and community partnerships.

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**2. Summary of significant accounting policies**

## a) Basis of presentation

The financial statements have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

The Museum applies the deferral method of accounting for contributions for not-for-profit organizations.

## b) Revenue recognition

## i) Appropriations

The Government of Canada provides funding to the Museum through parliamentary appropriations.

Appropriations which are explicitly or implicitly restricted for the purchase of amortizable capital assets are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations on the same basis and over the same periods as the related capital assets acquired.

Appropriations restricted for specific expenses are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period that those expenses are incurred. Appropriations that are not restricted to a specific purpose are recognized as revenue in the Statement of Operations in the period for which the appropriation is authorized.

## ii) Donations

Donations are comprised of contributions received from non-government entities that are not part of the federal government reporting entity, such as individuals, foundations and corporations.

Unrestricted contributions are recognized as revenue on the Statement of Operations when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenues and offsetting expenses from goods and services donated in-kind are recorded at fair market value upon receipt.

Contributions externally restricted for specific purposes are deferred on the Statement of Financial Position and recognized as revenue on the Statement of Operations in the period in which the related expenditures are recognized.

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**2. Summary of significant accounting policies (continued)**

## b) Revenue recognition (continued)

## ii) Donations (continued)

Endowment contributions are subject to externally imposed restrictions stipulating that the endowment principal be permanently maintained. Endowment contributions are recognized as direct increases in net assets in the period in which they are received consistent with the deferral method of accounting for contributions.

Investment income earned on the general endowment investments is unrestricted, and is recognized as revenue by the Museum in the period earned. Investment income earned may be subsequently internally restricted by the Museum, as approved by the Board of Trustees, to be spent at a later date or to be reinvested for the preservation of capital. Investment income earned on the education endowment is restricted, and may be deferred and recognized as revenue when services are provided.

## iii) Operating revenues

Funds received by the Museum from museum operations that are not yet earned through the provision of goods or services, are deferred and recognized as revenue when goods are delivered or services are provided.

## iv) Volunteer services

Volunteers contribute their time to assist the Museum in carrying out its activities. Because of the difficulty in determining fair value, contributed services are not recorded in the financial statements.

## v) Contributed materials

Contributed materials received whereby the fair values are not readily obtainable are not recorded in the financial statements.

## c) Collections

The Museum maintains the collections of stories, artifacts, oral histories and images related to its mandate to explore the theme of immigration to Canada. These collections are developed by various research areas within the Museum.

The Museum's collections are shown at a nominal value of \$1 on the Statement of Financial Position because of the practical difficulties in reflecting them at a meaningful value.

Objects purchased for the collections of the Museum are recorded as an expense in the period of acquisition. Objects donated to the Museum for its collections are not recorded.

## CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)

### 2. Summary of significant accounting policies (continued)

d) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the average cost method.

e) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Capital projects - work in progress are stated at cost and are not amortized. Amortization commences when the assets are ready for their intended use and are transferred to leasehold improvements.

The cost less the estimated salvage value of capital assets is amortized using the straight-line method and the following rates:

Capital asset	
Leasehold improvements	5 to 10 years
Immigration and ships database	5 years
Office and computer equipment	3 to 5 years

f) Employee future benefits

All eligible employees of the Museum are covered by the Public Service Pension Plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Museum to cover current service cost. Pursuant to legislation currently in place, the Museum has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an expense in the year when employees have rendered service and represent the total pension obligation of the Museum.

g) Use of estimates

The presentation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those reported. The estimated useful lives of capital assets are the most significant items where estimates are used. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period which they become known.

## CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)

### 2. Summary of significant accounting policies (continued)

h) Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions.

Monetary assets and liabilities, and non-monetary items included in the fair value measurement category denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the Statement of Remeasurement Gains and Losses. In the period of settlement, realized foreign exchange gains and losses are recognized in the Statement of Operations, and the cumulative amount of remeasurement gains and losses is reversed in the Statement of Remeasurement Gains and Losses.

i) Financial instruments

The Museum has classified all financial assets and liabilities in the fair value category or the cost category. The Museum performs an annual impairment test on financial instruments to determine if any objective evidence of impairment is present. Impairment losses are recognized in the net result of operations in the period in which they arise.

i) Investments

The Museum's endowment investments may be comprised of fund holdings in global equity, fixed income bonds and alternative assets, and are classified in the fair value category. These investments are measured at fair value with unrealized gains or losses from changes in valuation recognized in the Statement of Remeasurement Gains and Losses. Realized gains or losses on the investments are recognized in the Statement of Operations in the period in which they arise. The fair value measurements of these investments are based upon quoted prices for the investments in active markets.

ii) Other financial instruments

The Museum's other financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities, and are classified in the cost category. These financial instruments are carried at cost.



**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**3. Accounts receivable**

	2015		2014	
Accounts receivable – external	\$	20	\$	103
Accounts receivable – government departments and agencies		1,190		391
	\$	1,210	\$	494

**4. Capital assets**

	2015		2015	
	Cost	Accumulated amortization	Net book value	
Capital projects - work in progress	\$ 11,331	\$ –	\$ 11,331	
Leasehold improvements	13,402	5,289	8,113	
Immigration and ships database	46	38	8	
Office and computer equipment	820	521	299	
	\$ 25,599	\$ 5,848	\$ 19,751	

	2014		2014	
	Cost	Accumulated amortization	Net book value	
Capital projects - work in progress	\$ 2,300	\$ –	\$ 2,300	
Leasehold improvements	13,402	3,709	9,693	
Immigration and ships database	46	29	17	
Office and computer equipment	820	378	442	
	\$ 16,568	\$ 4,116	\$ 12,452	

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**5. Collections**

The Museum's collections are shown at a nominal value of \$1 on the Statement of Financial Position because of the practical difficulties in reflecting them at a meaningful value.

During the years ended March 31, 2015 and 2014, the Museum incurred no expenses related to the acquisition of objects for its collections and did not receive any revenues related to the sale of collection items.

**6. Accounts payable and accrued liabilities**

	2015		2014	
Accounts payable and accrued liabilities – external	\$	2,038	\$	832
Accounts payable and accrued liabilities – government departments and agencies		167		389
	\$	2,205	\$	1,221

**7. Deferred revenue**

Deferred revenue recorded by the Museum at March 31 is as follows:

	2015		2014	
Balance, beginning of year	\$	181	\$	156
Funds received during the year		289		412
Funds recognized as revenue during the year		(401)		(387)
Balance, end of year	\$	69	\$	181

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**8. Deferred contributions related to capital assets**

Deferred contributions related to capital assets represent contributed capital assets and restricted contributions for the acquisition of capital assets. Deferred contributions are amortized to income on the same basis as the related capital assets are amortized. The changes in the deferred contributions balance for the years ended March 31 are as follows:

	Transfer from Pier 21 Society	Appropriations	Other contributions	2015
Balance, beginning of year	\$ 896	\$ 19,795	\$ 198	\$ 20,889
Add:				
Appropriations received to acquire capital assets	-	2,200	-	2,200
Other contributions received from related party to acquire capital assets	-	-	1,036	1,036
Less:				
Amortization of deferred contributions related to capital assets	(488)	(1,220)	(24)	(1,732)
Balance, end of year	\$ 408	\$ 20,775	\$ 1,210	\$ 22,393

	Transfer from Pier 21 Society	Appropriations	Other contributions	2014
Balance, beginning of year	\$ 1,408	\$ 10,272	\$ 222	\$ 11,902
Add:				
Appropriations received to acquire capital assets	-	10,750	-	10,750
Less:				
Amortization of deferred contributions related to capital assets	(512)	(1,227)	(24)	(1,763)
Balance, end of year	\$ 896	\$ 19,795	\$ 198	\$ 20,889

The unused portion of deferred contributions related to capital assets was \$2,642 at March 31, 2015 (2014 - \$8,437). Other contributions received from a related party were received from the Halifax Port Authority as per the lease of the Pier 21 premises for leasehold improvements to the premises.

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**9. Endowment**

## a) Endowment cash and investments

Endowment cash and investments consist of the following:

	2015		2014	
	Cost	Fair value	Cost	Fair value
Cash and cash equivalents	\$ 203	\$ 203	\$ 86	\$ 86
Investment funds				
Fixed income	4,517	4,581	4,461	4,378
Alternatives	2,822	3,016	2,281	2,301
	7,339	7,597	6,742	6,679
	\$ 7,542	\$ 7,800	\$ 6,828	\$ 6,765

Endowment cash and investments may be reconciled to the endowment component of net assets at March 31 as follows:

	2015	2014
Endowment net assets	\$ 7,273	\$ 6,559
Prior years cumulative endowment investment net income recognized	266	203
Current year endowment investment net income recognized	224	162
Current year preservation of capital	(224)	(99)
Current year endowment investment net income deferred	3	3
Accumulated remeasurement gains (losses)	258	(63)
Endowment cash and investments (at fair value)	\$ 7,800	\$ 6,765

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**9. Endowment (continued)**

## b) Endowment net assets

Endowment contributions totaling \$490 (2014 – \$406) were received by the Museum during the fiscal year. In addition, \$224 was recorded as a direct increase to the endowment for its capital preservation (2014 – \$99).

Endowment net assets generated net realized investment income of \$224 (2014 – \$162). At March 31, 2015, the endowment had \$258 of unrealized gains (2014 – \$63 of unrealized losses).

At March 31, the endowment component of net assets consists of the following cumulative contributions:

	2015	2014
Contributions received from Pier 21 Foundation	\$ 4,874	\$ 4,874
Other contributions received for endowment	2,076	1,586
Capital preservation	323	99
<b>Endowment net assets, end of year</b>	<b>\$ 7,273</b>	<b>\$ 6,559</b>

**10. Internally restricted net assets**

Internally restricted net assets represents investment income earned on the general endowment that was unspent. The Museum restricts, as approved by the Board of Trustees, amounts to be spent at a later date or for the preservation of capital. In 2015, \$224 was restricted for the preservation of capital on endowment (2014 – \$99). The amount is reflected in the financial statements as a transfer from unrestricted net assets to endowment net assets.

**11. Rent refund**

As per the agreement with the Halifax Port Authority for the lease of the Pier 21 premises, the rent includes an amount which represents the Museum's proportionate share of the property's operating costs (also known as common area costs). The costs are estimated by the landlord and are reconciled to reflect actual amounts on a regular basis. In 2015, it was determined the Museum's common area costs were overestimated for the previous three years resulting in a refund of \$575. Future rent payments have also been reduced and are reflected in the contractual obligations in note 13.

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**12. Appropriations**

To achieve its mandate, the Museum relies on government funding comprised of the following:

	2015	2014
Parliamentary appropriations provided		
Main estimates	\$ 9,900	\$ 18,450
Previous year's appropriations used in the current year	8,437	60
Appropriations deferred for future capital projects	(2,642)	(8,437)
Appropriations used to purchase amortizable capital assets	(7,995)	(2,373)
	7,700	7,700
Amortization of deferred contributions related to capital assets	1,220	1,227
<b>Appropriations recognized as revenue</b>	<b>\$ 8,920</b>	<b>\$ 8,927</b>

**13. Contractual obligations**

The Museum has entered into agreements which include construction costs and consulting services. The Museum also has contractual obligations with the Halifax Port Authority, a related party, for the lease of the Pier 21 premises until February 2051. At March 31, 2015, the estimated obligations are as follows:

	Related party	Other	Total
2016	\$ 1,532	\$ 2,654	\$ 4,186
2017	1,532	–	1,532
2018	1,532	–	1,532
2019	1,532	–	1,532
2020	1,532	–	1,532
2021 to 2051	56,568	–	56,568
	\$ 64,228	\$ 2,654	\$ 66,882

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**14. Employee future benefits**

All eligible employees of the Museum are covered by the Public Service Pension Plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Museum. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The general contribution ratio effective at the year-end was 1.28 times the employees' contributions (2014 – between 1.43 and 1.45 times) to a defined salary threshold. On the portion of salaries above the defined threshold, the Museum is required to contribute on a ratio of 7.13 times the employees' contributions (2014 – 7.59 times). Total employer contributions of \$457 (2014 – \$445) were recognized as an expense in the current year.

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of two percent of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with the Canada Pension Plan benefits and are indexed to inflation.

**15. Related party transactions**

The Museum is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations. The Museum enters into transactions with these entities in the normal course of business. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and is under normal credit terms.

In addition to the related party transactions disclosed elsewhere in these financial statements, the Museum incurred expenses totaling \$1,728 (2014 – \$1,449) consisting primarily of rent expenses and payment in lieu of taxes under Accommodation of \$1,484 (2014 – \$1,213) and revenue of \$579 (2014 – \$10) with related parties.

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**16. Financial instruments**

The Museum is exposed to a variety of financial risks as a result of its activities. These risks include credit risk, liquidity risk and market risk (foreign currency risk, interest rate risk and other price risk).

The long-term goal of the Museum's investment policy for the endowment fund is to produce long-term real returns to supplement the costs of programming, education and other such areas, while permanently maintaining the endowment principal.

In order to manage risk, the Museum invests in a diversified portfolio that is managed by professional investment managers. The Museum's investments are guided by an investment policy which is approved by the Board of Trustees and reviewed on an annual basis. The Museum is assisted in the oversight and management of its portfolio by an Investment Committee that includes independent experts with experience in the investment field. In addition, the Museum uses the services of an independent investment advisor to assist the Investment Committee in its work. As the investment markets continue to evolve, the Investment Committee recommends adjustments to the asset mix to minimize the overall risk of the portfolio and sets target allocations allowing asset class allocations to vary within a specified range. At March 31, 2015 and 2014, the target allocations were 60% fixed income, 10% in global equity and 30% alternative assets.

There has been no change in the exposures, objectives, policies and processes for managing risk and the methods used to measure risk from the previous year.

The Museum has identified and assessed its exposure with respect to financial risks as follows:

## a) Credit risk

Credit risk is the risk of financial loss to the Museum associated with a counterparty's failure to fulfill its financial obligations and arises principally from the Museum's cash, endowment cash and investments and accounts receivable. The Museum has determined that the credit risk is not significant.

## i) Cash

Cash, other than cash and cash equivalents held in the endowment funds, is held in a Canadian chartered bank. The Museum minimizes its credit risk on cash by dealing only with reputable and high quality financial institutions.

## ii) Endowment cash and investments

Per the Museum's investment policy for the endowment fund, endowment investments are to be held in a diversified portfolio of cash and cash equivalents, fixed income instruments, Canadian, US and global equity and alternative assets through pooled funds and mutual funds.

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**16. Financial instruments (continued)**

## a) Credit risk (continued)

## ii) Endowment cash and investments (continued)

Cash and cash equivalents have a maximum term of maturity of one year. Fixed income, equity and alternative investments are primarily held through pooled and mutual funds. Alternative assets provide a lower overall volatility and correlation to traditional equity indices. The alternative portfolio includes long-short strategies, low-volatility fixed income strategies, global market neutral equity strategies with minimal net equity market exposure and a trend-following managed futures trading program that obtains exposure to a diversified portfolio of financial instruments across a range of global markets.

Through its investments in fixed income, equity and alternative, the Museum is indirectly exposed to the credit risk of the underlying investments of those funds. These risks are managed at the investment manager level. Their objectives are to invest in high quality financial instruments with creditworthy counterparties, by limiting the amount that can be invested in any one counterparty and by using other limits set out in the Museum's investment policy.

## iii) Accounts receivable

The Museum is exposed to credit risk from customers in the amount of \$1,210 (2014 – \$494) in the normal course of business. The accounts receivable are net of applicable allowance for doubtful accounts, which is established based on specific credit risk associated with individual clients and other relevant information. Concentration of credit risk with respect to receivables is limited, due to the small value of transactions with clients other than government departments.

As at March 31, 2015, \$7 accounts receivable were past due (over 30 days) (2014 – \$16). The Museum did not classify any accounts receivable as impaired as they generally relate to government clients which are considered low risk with respect to collection.

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**16. Financial instruments (continued)**

## b) Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the Museum's net results of operations or the fair value of its holdings of financial instruments.

## i) Foreign currency risk

The endowment investments include \$1,361 (2014 – \$78) of underlying investments in fixed income and alternatives classifications containing unhedged foreign currency exposure. The foreign currency risk has been determined to be low to moderate as they represent less than 18% of the portfolio. In addition, the funds denominated in Canadian dollars with foreign currency exposure normally enter into forward currency transactions or similar vehicles to insulate the funds from significant price changes due to the change in exchange rates. Furthermore, the funds denominated in US dollars have a three business day settlement and can be transitioned back to Canadian dollars denominated funds within that time.

In limited instances, the Museum remits certain payments to suppliers denominated in US dollars. At March 31, 2015 and 2014, the Museum did not have any liabilities in a foreign currency which would be exposed to changes in exchange rates. Fluctuations in the Canadian dollar compared to the US dollar would have an insignificant impact on the Museum's net results of operations.

## ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Financial assets and financial liabilities with variable interest rates expose the Museum to cash flow interest rate risk. The interest earned on the cash balance fluctuates because of changes in the market interest rates. The Museum's cash balance and its endowment investments, which include cash and cash equivalents and fixed income funds, earn interest at fixed rates or have values dependent on interest rates. The Museum does not directly hold debt instruments at March 31, 2015, but holds fixed income investments through pooled and mutual funds.

The Museum manages its interest rate risk by maintaining a mix of fixed income investments primarily held through bond funds which meet the investment criteria outlined in the investment policy. The investment and portfolio managers monitor exposures to address interest rate risk. The impact of the fluctuations cannot be easily assessed because the Museum holds the funds and not the underlying assets.

The sensitivity of the cash balance to a 0.25% decrease in the interest rate would be a reduction in interest income of \$27 for the year ended March 31, 2015 (2014 – \$21).

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**16. Financial instruments (continued)**

## b) Market risk (continued)

## iii) Other price risk

Other price risk arises when the fair value of equity funds changes due to a decrease in a stock market index or other risk variables. The endowment investments include \$1,537 in funds with underlying equity investments (2014 – \$1,826). Included in these funds are \$1,537 (2014 – \$1,165) in alternative allocations that have a low correlation to the stock market index and equities in general. In addition, these alternative allocations serve to reduce the price risk and volatility associated with the other equity funds.

The sensitivity of the endowment investment is calculated using a 5% decrease in the market prices. The sensitivity rate is determined using the standard deviation for the total fund as determined by the investment and portfolio managers. At March 31, 2015, if market prices had a 5% decrease with all other variables held constant, the decrease in remeasurement gains and losses for the year would have been \$115 due to the decrease in the fair value of financial assets (2014 – \$95).

## c) Liquidity risk

Liquidity risk is the risk that the Museum will not be able to meet its financial obligations as they fall due.

The Museum manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Museum's reputation. The Museum has determined that the risk is not significant.

As at March 31, 2015, all accounts payable and accrued liabilities of the Museum were due within three months.

**CANADIAN MUSEUM OF IMMIGRATION AT PIER 21**

Notes to the Financial Statements

For the year ended March 31, 2015  
(in thousands of dollars)**16. Financial instruments (continued)**

## d) Fair value measurement hierarchy

All financial instruments must be classified in accordance with the significance of the inputs used in making fair value measurements. The fair value hierarchy prioritizes the valuation techniques used to determine the fair value of a financial instrument based on whether the inputs to those techniques are observable or unobservable:

- i) Level 1 – Financial instruments are considered Level 1 when valuation can be based on quoted prices in active markets for identical assets and liabilities.
- ii) Level 2 – Financial instruments are considered Level 2 when they are valued using quoted prices for similar assets and liabilities, quoted prices in markets that are not active, or models using inputs that are observable.
- iii) Level 3 – Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy of financial assets and liabilities at March 31 is as follows:

	Level 1	Level 2	Level 3	2015
Financial assets:				
Endowment cash and investments				
Investment funds - Fixed income	\$ 4,581	\$ -	\$ -	\$ 4,581
Investment funds - Alternatives	1,570	1,446	-	3,016
	\$ 6,151	\$ 1,446	\$ -	\$ 7,597

	Level 1	Level 2	Level 3	2014
Financial assets:				
Endowment cash and investments				
Investment funds - Fixed income	\$ 4,378	\$ -	\$ -	\$ 4,378
Investment funds - Alternatives	804	1,497	-	2,301
	\$ 5,182	\$ 1,497	\$ -	\$ 6,679

**17. Comparative figures**

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

# CANADIAN MUSEUM OF IMMIGRATION AT PIER 21

For the year ended March 31, 2015

## Schedule 1 – Operating Revenue (in thousands of dollars)

	2015	2014
Hall rental	\$ 301	\$ 363
Special events	276	275
Gift shop	265	302
Exhibition hall ticket sales	250	229
Family history centre	87	66
Programming	63	25
	<b>\$ 1,242</b>	<b>\$ 1,260</b>

## Schedule 2 – Expenses (in thousands of dollars)

	2015	2014
Personnel costs	\$ 4,955	\$ 4,639
Amortization of capital assets	1,732	1,763
Rent and related costs	1,299	1,074
Exhibition and programming	856	1,199
Marketing, promotion and recognition	365	528
Professional and special services including Board of Trustees costs	364	349
Repairs and maintenance and building operation	354	316
Operating supplies and services	353	310
Cost of goods sold	265	308
Utilities	247	266
Payment in lieu of taxes	166	139
Office supplies and administration	150	162
Training and professional development	71	116
Travel and hospitality	58	37
	<b>\$ 11,235</b>	<b>\$ 11,206</b>