

CANADIAN MUSEUM OF NATURE

QUARTERLY FINANCIAL REPORT

(Unaudited)

For the six month period
ended September 30, 2011

Canada



CANADIAN MUSEUM OF NATURE
QUARTERLY FINANCIAL REPORT

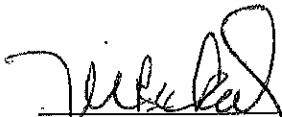
For the six month period ending September 30, 2011

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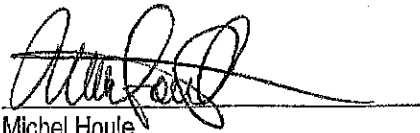
STATEMENT OF MANAGEMENT RESPONSIBILITY BY SENIOR OFFICIALS

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

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



Margaret Beckel
President and Chief Executive Officer



Michel Houle
Acting/ Vice President, Corporate Services
and Chief Financial Officer

Ottawa, Canada
October 24, 2011

Statement of Financial Position
as at September 30, 2011
(Unaudited)

<i>(in thousands of dollars)</i>	Sept. 2011	Sept. 2010	March 2011
Assets			
Current			
Cash and cash equivalents	13,386	13,511	14,020
Accounts receivable			
Trade	285	321	272
Government departments and agencies	173	275	507
Prepaid expenses	779	692	936
	14,623	14,799	15,735
Restricted cash, cash equivalents and receivables	1,855	1,754	1,804
Collections	1	1	1
Capital assets (note 4)	208,166	212,270	210,875
	224,645	228,824	228,415
Liabilities			
Current			
Accounts payable and accrued liabilities			
Trade	1,902	2,281	2,399
Government departments and agencies	1	587	569
Current portion - obligation under capital lease (note 5)	507	459	483
Deferred contributions and deferred revenue (note 6)	8,634	9,263	8,457
	11,044	12,590	11,908
Obligation under capital lease (note 5)	29,863	30,370	30,123
Deferred contributions related to capital assets (note 7)	187,675	190,275	189,881
Employee future benefits	2,764	2,746	2,653
	231,346	235,981	234,565
Net Assets			
Unrestricted	2,873	1,372	3,157
Restricted for endowment purposes (note 8)	305	305	305
Investment in capital assets (note 9)	(9,879)	(8,834)	(9,612)
	(6,701)	(7,157)	(6,150)
	224,645	228,824	228,415

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

Statement of Operations
for the period ended September 30, 2011
(Unaudited)

<i>(in thousands of dollars)</i>	Sept. 2011	Sept. 2010
Revenue		
Parliamentary appropriation (note 10)	16,564	17,685
Commercial operations (note 11)	1,814	2,063
Educational programmes	150	188
Contributions	149	795
Scientific services	85	24
Interest income	78	46
Other	26	20
	18,866	20,821
Expenses (note 13)		
Public education programmes	3,144	4,452
Collection management	930	1,172
Research	1,939	2,057
Corporate management	3,494	3,429
Accommodation	6,384	6,143
Depreciation of capital assets	3,526	3,440
	19,417	20,693
Excess (deficiency) of revenue over expenses	(551)	128

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

Statement of Changes in Net Assets
for the period ended September 30, 2011
(Unaudited)

<i>(in thousands of dollars)</i>	Unrestricted	Endowment	Invested in capital assets	Sept. 2011	Sept. 2010
Net assets, beginning of year	3,157	305	(9,612)	(6,150)	(7,285)
Deficiency of revenue over expenses	(551)	-	-	(551)	128
Net change in investment in capital assets	267	-	(267)	-	-
Net assets, end of year	2,873	305	(9,879)	(6,701)	(7,157)

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

Statement of Cash Flows
for the period ended September 30, 2011
(Unaudited)

<i>(in thousands of dollars)</i>	Sept. 2011	Sept. 2010
Operating activities		
Cash receipts - customers	2,659	5,429
Cash receipts - parliamentary appropriation for operating activities	13,588	8,938
Cash disbursements - suppliers and employees	(15,173)	(18,509)
Interest received	94	51
Interest paid	(1,515)	(1,539)
	(347)	(5,630)
Financing activities		
Parliamentary appropriation for the acquisition of capital assets	817	4,131
Obligation under capital lease	(236)	(213)
	581	3,918
Capital activities		
Acquisition of capital assets	(817)	(4,131)
	(817)	(4,131)
Investing activities		
(Increase) decrease in restricted cash, cash equivalents and receivable	(51)	173
	(51)	173
Decrease in cash and cash equivalents	(634)	(5,670)
Cash and cash equivalents, beginning of year	14,020	19,181
Cash and cash equivalents, end of year	13,386	13,511

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

Notes to the Financial Statements
for the period ended September 30, 2011
(Unaudited)
(in thousands of dollars)

1. AUTHORITY AND MISSION

The Canadian Museum of Nature (the "Corporation") was established by the *Museums Act* on July 1st, 1990, and 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 Corporation's mission is to increase, throughout Canada and internationally, interest in, knowledge of and appreciation and respect for the natural world by establishing, maintaining and developing for research and posterity a collection of natural history objects, with special but not exclusive reference to Canada, and by demonstrating the natural world, the knowledge derived from it and the understanding it represents.

2. SIGNIFICANT ACCOUNTING POLICIES

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

A) Basis of Presentation

The Corporation has prepared the financial statements applying the Section 4200 series of Canadian public sector accounting standards applicable to government-not-for-profit organizations.

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

B) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the year. Employee future benefits and the estimated useful lives of capital assets are the most significant items for which estimates are used. Actual results could differ significantly from those estimated. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the fiscal year which they become known.

C) Collections

The Canadian Museum of Nature holds and preserves invaluable collections of natural history specimens for the benefit of Canadians, present and future. The collections form the largest part of the assets of the Corporation. The collections are shown as an asset on the Statement of Financial Position at a nominal value of \$1 due to practical difficulties in determining a meaningful value for these assets. Objects purchased for the collections are recorded as an expense in the year of acquisition. Objects donated to the Corporation are recorded as assets at the nominal value.

D) Capital Assets

Capital assets are recorded at cost. Assets recorded as capital leases are initially recorded at the present value of the minimum lease payments at the inception of the lease. Land and building owned by the Government of Canada and that are under the control of the Corporation are recorded at their estimated cost. Depreciation is calculated on the straight-line method using rates based on the estimated useful life of the assets.

Material and equipment acquired for the purpose of the design, development and maintenance of exhibits are charged to operations in the year of acquisition.

40 years	Victoria Memorial Museum Building
35 years	Property under capital lease
35 years	Collection cabinets and compactors
10 years	Research equipment
10 years	General equipment
10 years	Furnishings and office equipment
5 to 25 years	Building improvements
5 years	Motor vehicles
3 to 5 years	Leasehold improvements
3 years	Computer equipment

Notes to the Financial Statements
for the period ended September 30, 2011
(Unaudited)
(in thousands of dollars)

E) Employee Future Benefits

i) Pension benefits

All eligible employees participate in the Public Service Pension Plan administered by the Government of Canada. The Corporation's contribution to the plan reflects the full cost as employer. This amount is currently based on a multiple of the employee's required contributions, and may change over time depending on the experience of the Plan. These contributions represent the total pension obligations of the Corporation and are charged to operations during the year in which the services are rendered. The Corporation is not currently required to make contributions with respect to actuarial deficiencies of the Public Service Pension Plan.

ii) Severance benefits

Employees are entitled to severance benefits, as provided for under labor contracts and conditions of employment. The cost of these benefits is accrued to operations as the employees render the services necessary to earn them. Management determined the accrued benefit obligation using a method based upon assumptions and its best estimates. These benefits represent the only obligation of the Corporation that entails settlement by future payment.

F) Revenue Recognition

Revenues from commercial operations, educational programmes, scientific services and other revenues are recognized when persuasive evidence of an arrangement exists between the two parties, goods have been delivered or services have been provided to the customers, price is fixed and determinable and collection is reasonably assured. The Corporation also records deferred revenue when amounts are received in advance of providing goods and services.

G) Appropriation

The Government of Canada provides contribution funding to the Corporation through appropriation.

Appropriations which are explicitly or implicitly restricted for the purchase of amortizable capital assets are deferred and recognized as revenue 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 fiscal year 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 fiscal year for which they are approved.

H) Donations

Donations are comprised of contributions received from entities, such as individuals, foundations, corporations, and entities part of the federal government.

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.

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 fiscal year in which the related expenditures are recognized. Restricted investment income is recognized as revenue in the Statement of Operations in the fiscal year that the related expenditures are recognized.

Notes to the Financial Statements
for the period ended September 30, 2011
(Unaudited)
(in thousands of dollars)

I) Volunteer Services

Volunteers contribute a significant number of hours per year. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

Effective April 1st, 2011, the Corporation adopted the public sector accounting standards applicable for a government not-for-profit organization. These amended standards were retrospectively adopted and therefore the 2011 comparative figures have been restated. Key adjustments resulting from the adoption of these accounting standards are as follows:

- Other comprehensive income is not recognized under public sector accounting standards applicable for a government not-for-profit organization. Consequently, other comprehensive income and accumulated other comprehensive income are no longer reported on the Corporation's Statement of Operations. The 2011 financial statements have been adjusted to record amounts previously recognized as other comprehensive income as deferred contributions and restricted net assets for endowment purposes.
- As a result previously reported accumulated other comprehensive income of \$1,684 has been reclassified as \$1,379 to deferred contributions and deferred revenues and \$305 to net assets restricted for endowment purposes. Other comprehensive income previously recognized as income in 2011 has been reversed.

The impact of these restatements on the 2011 figures is as follows:

	Sept. 2010	Adjustments	Revised Sept. 2010	Audited March 2011	Adjustments	Revised March 2011
<u>Statement of Financial Position</u>						
Liabilities:						
Deferred contributions and deferred revenues	7,921	1,342	9,263	7,078	1,379	8,457
Net Assets:						
Net Assets, beginning of year	(6,004)	(1,281)	(7,285)	(6,004)	(1,281)	(7,285)
Net Assets, end of year	(5,815)	(1,342)	(7,157)	(4,771)	(1,379)	(6,150)
<u>Statement of Operations</u>						
Excess of revenue over expenses	128	-	128	1,135	-	1,135
Other Comprehensive Income	61	(61)	-	98	(98)	-

Notes to the Financial Statements
for the period ended September 30, 2011
(Unaudited)
(in thousands of dollars)

4. CAPITAL ASSETS

			Sept. 2011	Sept. 2010
	Cost	Accumulated depreciation	Net book value	Net book value
Land	627	-	627	627
Victoria Memorial Museum Building	204,727	21,392	183,335	186,880
Property under capital lease	35,040	15,369	19,671	20,663
Collection cabinets and compactors	3,639	1,579	2,060	2,165
Leasehold improvements	2,960	1,481	1,479	748
Furnishings and office equipment	1,259	875	384	325
Computer equipment	2,802	2,567	235	311
Research equipment	3,293	3,065	228	374
General equipment	395	321	74	72
Building improvements	144	71	73	101
Motor vehicles	42	42	-	4
	254,928	46,762	208,166	212,270

The current year amortization expense amounts to \$3,526.

5. OBLIGATION UNDER CAPITAL LEASE

The Natural Heritage Building houses the Canadian Museum of Nature natural history collections and administrative functions, on the Corporation's site in Gatineau, Quebec. The Corporation is acquiring the building through a lease purchase agreement with a term of 35 years. It is committed to pay rent under all circumstances and in the event of termination of the lease, at the Corporation's option or otherwise, pay sufficient rent to repay all financing on the building. Management intends to completely discharge its obligation under the lease and obtain free title to the building in 2031, after the Corporation uses its right to purchase the building for ten dollars.

Future minimum lease repayments, by year and in aggregate, under the financing obligation are as follows:

	Obligation under capital lease
2012	1,750
2013	3,500
2014	3,500
2015	3,500
2016	3,500
Thereafter	54,250
Total minimum future payments	(1) 70,000
Deduct: Imputed interest	(39,630)
Present value of financing obligations	(2) 30,370

(1) The amounts payable under the capital lease are based on the fixed interest rate of 9.88%, for a period of 35 years, established at the time of signing the lease.

(2) The present value of the capital lease obligation based on a current market interest rate of 8.25% is estimated at \$34 million.

Notes to the Financial Statements
for the period ended September 30, 2011
(Unaudited)
(in thousands of dollars)

6. DEFERRED CONTRIBUTIONS AND DEFERRED REVENUE

Contributions received and appropriations that are restricted for a specified purpose are deferred, and recognized as revenue in the fiscal year that the related expenses are incurred.

Funds received by the Corporation for Museum operations, educational programs, or scientific services that are not yet earned through the provision of goods or services, are deferred by the Corporation, and recognized as revenue in the fiscal year that the earnings process is culminated.

Changes in the deferred contributions and deferred revenues balance during the fiscal year were as follows:

	Sept. 2011	Sept. 2010
Balance, beginning of year	8,457	12,634
Add:		
Restricted contributions received	540	610
Restricted appropriation received	894	1,136
Deferred investment income	5	4
Funds received through the provision of goods and services	(138)	(6)
	1,301	1,756
Less:		
Restricted contributions recognized	(149)	(795)
Restricted appropriation spent	(975)	(4,332)
	(1,124)	(5,127)
Balance, end of year	8,634	9,263

7. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets represent the unamortized appropriation used to acquire amortizable capital assets. Deferred contributions related to capital assets are recognized as appropriation revenue on the same basis and over the same periods as the related capital asset is amortized.

Changes in the deferred contributions related to capital assets balance are as follows:

	Sept. 2011	Sept. 2010
Balance, beginning of year	189,881	189,584
Appropriation used to purchase capital assets	817	4,131
Amortization of deferred contributions related to capital assets	(3,023)	(3,440)
Balance, end of year	187,675	190,275

Notes to the Financial Statements
for the period ended September 30, 2011
(Unaudited)
(in thousands of dollars)

8. RESTRICTIONS ON NET ASSETS

The entire amount of net assets restricted for endowment purposes is subject to externally imposed restrictions stipulating that the resources be maintained permanently. Investment income on the endowment is externally restricted for specified purposes and is included in deferred contributions and deferred revenue.

The principal amount of \$305 was received from Anne and Henry Howden, which included a significant entomological collection. The endowment was established to enable professional studies and research of entomological collections for the Corporation.

In the event that the Corporation decides not to maintain entomological collections, the Systematic Entomology Endowment Fund shall be transferred, along with any entomological collections, to the Royal Ontario Museum.

9. INVESTMENT IN CAPITAL ASSETS

The investment in capital assets consists of the following:

	Sept. 2011	Sept. 2010
Capital assets	208,166	212,270
Less amounts financed by capital lease	(30,370)	(30,829)
Less amounts financed by deferred contributions related to capital assets	(187,675)	(190,275)
	(9,879)	(8,834)

The net change in investment in capital assets is calculated as follows:

	Sept. 2011	Sept. 2010
Capital asset additions	817	4,131
Add: repayment of obligation under capital lease	236	213
Less: capital assets financed with deferred capital contributions	(817)	(4,131)
Capital assets purchased with Corporation funds	236	213
Amortization of deferred capital contributions	3,023	3,440
Amortization of capital assets	(3,526)	(3,440)
Net change in investment in capital assets	(267)	(213)

Notes to the Financial Statements
for the period ended September 30, 2011
(Unaudited)
(in thousands of dollars)

10. APPROPRIATION

To achieve its mission, the Corporation relies on government funding. This government funding is comprised as follows:

	Sept. 2011	Sept. 2010
Appropriation received and receivable:		
Operating and Capital Budgets	14,277	15,180
Supplementary Budgets	-	-
	14,277	15,180
Portion of appropriation in current year deferred for future capital projects	(894)	(1,136)
Previous year's appropriation used in current year to complete specific projects	975	4,332
Appropriation used to purchase amortizable capital assets	(817)	(4,131)
Amortization of deferred contributions related to capital assets	3,023	3,440
Appropriation used	16,564	17,685

11. COMMERCIAL OPERATIONS

Commercial operations revenue is comprised as follows:

	Sept. 2011	Sept. 2010
Admission fees	1,031	1,293
Parking	337	379
Rental of facilities	248	157
Boutique and cafeteria leases	107	91
Memberships	79	135
Publishing royalties	1	4
Publishing revenues	11	4
	1,814	2,063

12. RELATED PARTY TRANSACTIONS

The Corporation is related to all Government of Canada departments, agencies and Crown corporations.

In addition to those related party transactions disclosed elsewhere in these financial statements, the Corporation incurred expenses for the work and services provided by other government departments, agencies, and Crown corporations totalling \$2,380 (September 2010 – \$1,862), and earned revenues totalling \$7 (September 2010 – \$25). These transactions were conducted in the normal course of operations, under the same terms and conditions that applied to outside parties and recorded at the exchange amount.

Notes to the Financial Statements
for the period ended September 30, 2011
(Unaudited)
(in thousands of dollars)

13. SUMMARY OF EXPENSES BY CLASSIFICATION

	Sept. 2011	Sept. 2010
Personnel costs	7,489	7,896
Depreciation of capital assets	3,526	3,440
Operation and maintenance of buildings	1,967	1,461
Interest on capital lease obligation	1,515	1,537
Real property taxes	1,313	1,186
Professional and special services	1,239	1,434
Exhibitions	759	1,448
Information management infrastructure and systems	600	511
Repairs and maintenance	399	428
Marketing and communications	387	1,008
Travel	127	162
Freight and cartage	30	36
Purchase of objects for collections	-	-
Other	66	146
	19,417	20,693

MANAGEMENT DISCUSSION AND ANALYSIS

(Unaudited)

Overview

These quarterly financial statements must be read in conjunction with the Canadian Museum of Nature's most recent audited annual financial statements for the period ending March 31, 2011 and with the narrative discussion included in this quarterly financial report.

The Canadian Museum of Nature's primary objective is to fulfill its national mandate as described in the *Museums Act*, within the context of the governance and accountability regime established in Part X of the *Financial Administration Act*. To this end, the Museum's Board of Trustees and Management are committed to managing the public and private funds invested in the Museum in a transparent, accountable manner and to optimizing the value of the contribution the Museum makes to Canadians and to Canadian society.

The strategic directions for the Museum acknowledge the intent to be a leading source of natural history knowledge and scientific inquiry for scientists and the public, thus contributing a distinctly Canadian perspective to the global body of knowledge. The Museum will disseminate the results of this scientific inquiry, thus helping inspire Canadians to act conscientiously about the natural environment. As a public institution, the Museum also wishes to continue to demonstrate accountability, value and fiscal effectiveness through achieving measurable, meaningful results.

Achieving financial sustainability has been, and will continue to be, one of the main priorities of the Museum. The Museum has in place a number of strategies designed to manage both known and anticipated pressures. An enterprise risk management approach is being used to manage these strategies and pressures in support of the vision to be a national institution providing maximum value and service to the public.

Significant Changes

We are pleased that the Minister of Canadian Heritage and Official Languages announced the appointment of Margaret Beckel as the new President and Chief Executive Officer of the Canadian Museum of Nature starting June 6, 2011.

Effective April 1st, 2011, the Corporation adopted the Canadian public sector accounting standards applicable for government not-for-profit organizations.

Revenue

Revenue for the first six months of the year amounted to \$18,866,000 a decrease of \$1,955,000 or 9 percent, compared to the \$20,821,000 for the first six months of the previous year.

Revenue includes Parliamentary appropriation (the portion recognized for the first six months of the year) and represented 88 percent of the Museum's revenue for the first six months of the year. On an accrual basis, appropriation amounted to \$16,564,000 for the first six months of the year compared to \$17,685,000 for the first six months of the previous year. The year over year decrease of \$1,121,000 or 6 percent is mainly due to the utilization of deferred contributions related to capital assets.

For the first six months of the year, non-appropriation revenues were \$2,302,000, representing a decrease of 27 percent, compared to non-appropriation revenues of \$3,136,000 for the first six months of the previous year. This is mainly due to a decrease of \$646,000 or 81 percent related to the timing in the recognition of contribution revenue as exhibition activity will be occurring later in the year compared to the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

(Unaudited)

Expenses

The Museum's total cost of operations for the first six months of the year was \$19,417,000 a decrease of \$1,276,000 of 6 percent, compared to \$20,693,000 for the first six months of last year. The decrease in this year compared to 2010 is mainly attributable to lower costs of exhibitions and marketing and communication.

The costs of managing the Museum's two buildings have increased since the completion of the renovated Victoria Memorial Museum Building. For the first six months of 2011 the costs rose by 35 percent to \$1,967,000 from \$1,461,000 for the first six months of 2010. The new museum-standard environmental control systems and additional space that must now be maintained at the renovated Victoria Memorial Museum Building have placed an additional severe pressure on the Museum's operating budget. The Museum continues to explore additional facilities cost reduction and control measures in order to minimize the financial impact on its programmes.

Excess (deficiency) of revenue over expenses

The deficiency of revenue over expenses for the first six months of the year was \$551,000. The deficiency is partly attributable to a timing difference between the recognition of appropriation for operating expenditures that is recognized in the fiscal year for which it is approved and expenses that are recognized in the fiscal year they are incurred. Specifically, previous year funding was used to commit and prepay for three special exhibits scheduled for this fiscal year.

Another contributor to the deficiency for this first six months of the year is the result of the accounting treatment related to the depreciation charges for its Natural Heritage Building facility located in Gatineau which is shown on the Museum's statement of financial position as a capital lease. This accounting treatment will keep the Corporation's net asset in a deficit position for many years. The situation will begin to reverse near the mid-point of the lease term and will completely reverse itself over the full term of the lease. This does not impact the Corporation's cash flow or financial stability in any way.

Statement of Financial Position

Assets

The level of cash and cash equivalents as of September 30, 2011 remains substantially the same compared to same period in 2010.

The decrease in capital assets reflects the depreciation of Victoria Memorial Museum Building and other capital costs.

Liabilities

Accounts payable and accrued liabilities from Trade have decreased as of September 30, 2011 from 2010 mainly as a result of the completion of the renovated Victoria Memorial Museum Building.

Deferred contributions and deferred revenue have decreased due to the spending of appropriation received for the renovation of the Victoria Memorial Museum Building in prior years.

RISK ANALYSIS

Risk	Mitigation Strategies
<p>1. Risk that marketing, communications and positioning mechanisms do not sufficiently promote and demonstrate the strengths and value of the CMN to Canadians and key stakeholders.</p>	<ul style="list-style-type: none"> ▪ Marketing of all revenue generation activities and communication of Research, Collections and Education Services to clients; ▪ Strategic planning (objectives, strategies, performance measurement); ▪ Annual operational and programming reviews and planning exercises that incorporate focus groups, visitor comments, national consultations and needs analysis; ▪ Identification of issues of relevance (monitoring and feedback through national consultation); ▪ Identification of areas of scientific excellence for collection and research that will impact exhibits and programs.
<p>2. Risk that the government funding framework does not meet CMN's resource requirements. This may result in insufficient resources to develop adequate programs.</p>	<ul style="list-style-type: none"> ▪ Ongoing communications and collaboration with central agencies to take advantage of opportunities as they occur to ensure funding framework aligns with resource requirements; Treasury Board submissions; Quarterly budget review meetings to determine where reallocations may be required; Memorandum to Cabinet looks at priorities in future years and allocates resources for operations; Operational and programme planning process.
<p>3. Risk that the revenue generation framework targets are not achieved due to increasing competition for visitors, rental/events and contributions, or other factors. This may result in insufficient resources to develop adequate programs.</p>	<ul style="list-style-type: none"> ▪ Work plans are revised when appropriate; ▪ Dedicated work plans assist units to perform their tasks in order to achieve targets related to commercial operations and development.
<p>4. Risk that there are insufficient and/or inadequately skilled human resources (e.g. number, capability, skills, training and career development, recruiting, retaining, succession planning) to achieve CMN's objectives and current and future needs.</p>	<ul style="list-style-type: none"> ▪ Succession planning; ▪ Training and development plans; ▪ Leadership development; ▪ Competitive salaries and working conditions; ▪ Open market for recruitment.