

**ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE
SAINT-BONIFACE MUSEUM**

Financial Statements
For the year ended December 31, 2020

ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM

Financial Statements
For the year ended December 31, 2020

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Independent Auditor's Report

To the Board of Directors of St. Boniface Museum Board operating as Le Musée de Saint-Boniface Museum

Opinion

We have audited the financial statements of **St. Boniface Museum Board operating as Le Musée de Saint-Boniface Museum** (the "Museum"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **St. Boniface Museum Board operating as Le Musée de Saint-Boniface Museum** as at December 31, 2020, and the results of its operations and its cash flows for the year then ended with accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Museum in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Museum's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Museum or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Museum's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Museum's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Museum's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Museum to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Winnipeg, Manitoba
June 21, 2021

ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM
Statement of Financial Position

As at December 31 **2020** **2019**

Assets

Current Assets

Cash and bank	\$ 141,484	\$ 81,019
Grants and accounts receivable	46,912	21,153
Gift shop inventory	73,752	62,456
	<u>262,148</u>	<u>164,628</u>

Capital assets (Note 4)	34,645	28,427
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	<u>\$ 296,793</u>	<u>\$ 193,055</u>
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Liabilities and Net Assets

Current Liabilities

Accounts payable and accrued liabilities (Note 5)	\$ 51,183	\$ 69,050
Deferred revenue (Note 6)	24,870	32,144
	<u>76,053</u>	<u>101,194</u>

Deferred contributions related to capital assets (Note 7)	12,609	19,607
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	<u>88,662</u>	<u>120,801</u>
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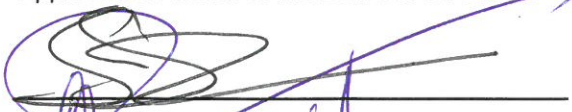
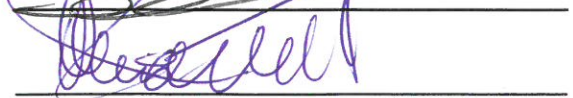
Net Assets

Unrestricted	66,095	43,434
Internally restricted for major repairs (Note 9)	20,000	20,000
Contingency reserve (Note 10)	100,000	-
Invested in capital assets	22,036	8,820

	<u>208,131</u>	<u>72,254</u>
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	<u>\$ 296,793</u>	<u>\$ 193,055</u>
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Approved on behalf of the Board of Directors:

	Director
	Director

ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM
Statement of Changes in Net Assets

For the year ended December 31, 2020

	2020				2019
	Unrestricted	Internally Restricted for Major Repairs	Contingency Reserve	Invested in Capital Assets	Total
Balance, beginning of year	\$ 43,434	\$ 20,000	\$ -	\$ 8,820	\$ 72,254
Excess of revenue over expenses for the year	140,121	-	-	(4,244)	135,877
Interfund Transfers					
Acquisition of capital assets	(17,460)	-	-	17,460	-
Allocation (Note 10)	(100,000)	-	100,000	-	-
Balance, end of year	\$ 66,095	\$ 20,000	\$ 100,000	\$ 22,036	\$ 208,131
					\$ 72,254

The accompanying notes are an integral part of these financial statements.

ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM
Statement of Operations

For the year ended December 31, 2020

			2020	2019
	Operating Fund	Projects Fund	Total	Total
Revenue				
Grants				
City of Winnipeg - Operating	\$ 457,500	\$ -	\$ 457,500	\$ 450,000
Province of Manitoba	5,218	13,700	18,918	59,000
Government of Canada	16,418	-	16,418	36,905
Ami du/Friends of Musée de Saint-Boniface Museum Inc.	-	28,000	28,000	-
Emergency assistance funding Canadian Heritage				
Museum Assistance Program	68,466	-	68,466	-
Canada Emergency Wage Subsidy	134,109	-	134,109	-
Manitoba Bridge Grant Program	5,000	-	5,000	-
Admissions and program fees	8,134	-	8,134	53,994
Gift shop sales	44,529	-	44,529	62,673
Sponsorships	3,000	-	3,000	3,000
Other	10,314	9,083	19,397	41,744
	752,688	50,783	803,471	707,316
Deferred revenue, beginning of year (Note 6)	-	32,144	32,144	36,309
Acquisition of capital assets financed by deferred contributions (Note 7)	-	-	-	(5,280)
Amortization of deferred contributions related to capital assets (Note 7)	6,998	-	6,998	8,082
Deferred revenue, end of year (Note 6)	-	(24,870)	(24,870)	(32,144)
	759,686	58,057	817,743	714,283
Expenses				
Advertising	3,131	19,896	23,027	23,388
Amortization	11,242	-	11,242	9,837
Artifact and curatorial	1,436	6,510	7,946	12,145
Bank charges and payroll fees	818	-	818	2,812
Conference and training	26	1,064	1,090	7,028
Gift shop	42,067	-	42,067	39,710
Insurance	1,375	-	1,375	1,375
Maintenance	33,696	1,799	35,495	41,590
Office and technology	32,296	955	33,251	17,843
Other	554	102	656	559
Payroll tax	7,778	-	7,778	7,495
Printing	3,350	-	3,350	5,492
Professional fees	12,100	11,348	23,448	15,230
Programming and visitor services	6,402	9,643	16,045	26,309
Salaries and benefits	410,959	6,740	417,699	412,751
Storage	39,343	-	39,343	40,243
Utilities	17,236	-	17,236	20,854
	623,809	58,057	681,866	684,661
Excess of revenue over expenses for the year	\$ 135,877	\$ -	\$ 135,877	\$ 29,622

ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM
Statement of Cash Flows

For the year ended December 31	2020	2019
Cash Flows from Operating Activities		
Excess of revenue over expenses for the year	\$ 135,877	\$ 29,622
Adjustments for items not affecting cash		
Amortization of deferred contributions	(6,998)	(8,082)
Amortization of capital assets	11,242	9,837
	<u>140,121</u>	<u>31,377</u>
Changes in non-cash working capital balances		
Grants and accounts receivable	(25,759)	21,592
Gift shop inventory	(11,296)	(4,454)
Prepays	-	885
Accounts payable and accrued liabilities	(17,867)	(21,834)
Deferred revenue	(7,274)	(4,165)
	<u>77,925</u>	<u>23,401</u>
Cash Flows from Investing and Financing Activities		
Contributions related to capital assets	-	5,280
Acquisition of capital assets	(17,460)	(12,717)
	<u>(17,460)</u>	<u>(7,437)</u>
Net increase in cash and bank during the year	60,465	15,964
Cash and bank, beginning of year	81,019	65,055
Cash and bank, end of year	\$ 141,484	\$ 81,019

ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM
Notes to Financial Statements

For the year ended December 31, 2020

1. Nature of Operations

St. Boniface Museum Board operating as Le Musée de Saint-Boniface Museum ("Museum") collects, preserves, researches, and interprets a collection of artifacts relating to Western Canada's French-Canadian and Métis heritage, while acknowledging the historical contributions of the First Nations and the religious communities.

First established by the City of Saint-Boniface in 1959, the Museum now functions under the authority of the City of Winnipeg. Under The Saint-Boniface Museum by-law no. 4824/88, the Board of Directors manages, controls and operates the Saint-Boniface Museum.

2. Summary of Significant Accounting Policies

a. Basis of Accounting and Management Responsibility for the Financial Statements

The financial statements are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations as established by the Public Sector Accounting Board.

b. Revenue Recognition

The Museum follows the deferral method of accounting for contributions that include donations and grants. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions, which consist of revenue derived from merchandise sales, admissions and other revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Canada Emergency Wage Subsidy contributions are recognized as revenue in the period received.

c. Gift Shop Inventory

Cost is generally determined on the first-in, first-out basis. Inventory is stated at the lower of cost and net realizable value.

d. Capital Assets

Capital assets are stated at their acquisition cost less accumulated amortization. Amortization is provided on a straight-line basis over the assets' estimated useful lives, which for equipment is 5 years.

ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM
Notes to Financial Statements

For the year ended December 31, 2020

2. Summary of Significant Accounting Policies (continued)

e. Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value, with any unrealized gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

f. Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates.

3. Line of Credit

The Museum has an agreement for a line of credit with a maximum of \$50,000. The line of credit bears interest at 3.45% (bank prime rate of 2.45% plus 1%) at December 31, 2020, is guaranteed by a General Security Agreement, and is unutilized at year end.

4. Capital Assets

	2020		2019	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	\$ 121,923	\$ 87,278	\$ 34,645	\$ 28,427

ST. BONIFACE MUSEUM BOARD
operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM
Notes to Financial Statements

For the year ended December 31, 2020

5. Accounts Payable and Accrued Liabilities

	2020	2019
Government remittances	\$ 418	\$ 397
Salaries and benefits	4,498	5,666
Other payables and accrued liabilities	24,942	43,582
Vacation pay	21,325	19,405
	<u>\$ 51,183</u>	<u>\$ 69,050</u>

6. Deferred Revenue

A portion of specific grants and donations received has been deferred since the related projects have not been completed during the current year. A summary of the transactions for the year is as follows:

	Deferred Revenue at December 31 2019	Amounts Received or Receivable in 2020	Revenue Recognized Transferred in 2020	Deferred Revenue at December 31 2020
Trails of 1885	\$ 7,500	-	-	7,500
Restorations	12,579	-	-	12,579
Amis - FME	-	28,000	28,000	-
Signature Museum	7,707	13,700	21,407	-
Signature Museum MB Joint	4,358	9,083	8,650	4,791
	<u>\$ 32,144</u>	<u>\$ 50,783</u>	<u>\$ 58,057</u>	<u>\$ 24,870</u>

7. Deferred Contributions Related to Capital Assets

Deferred contributions related to capital assets represent the unamortized portion of grants and donations received with which capital assets have been purchased. Changes in deferred contributions related to capital assets are as follows:

	2020	2019
Balance, beginning of year	\$ 19,607	\$ 22,409
Grants received during the year		
Province of Manitoba - Signature Museum	-	5,280
Amount amortized to revenue during the year	(6,998)	(8,082)
Balance, end of year	<u>\$ 12,609</u>	<u>\$ 19,607</u>

ST. BONIFACE MUSEUM BOARD
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Notes to Financial Statements

For the year ended December 31, 2020

8. Commitment

The Museum has a lease agreement for storage with annual lease payments of \$25,410 plus common area costs estimated at \$14,000 expiring in May 2025.

The Museum has a lease agreement for computer equipment with annual lease payments of \$2,500 expiring in July 2024.

9. Internally Restricted Net Assets

In 2019, the Board of Directors restricted \$20,000 for major repairs. Withdrawals require approval by the Board of Directors.

10. Contingency Reserve

During the year, the Board of Directors restricted \$100,000 to the internally restricted contingency reserve. These funds are expected to be needed to support post-pandemic recovery, and any potential operating deficits. Withdrawals require approval by the Board of Directors.

11. Collection

The collection consists primarily of artifacts received by way of donations, loans and purchases. The collection is held in public trust for conservation and display by the Museum. The collection is not recorded in the statement of financial position.

12. Economic Dependence

The Museum is economically dependent for funding from the City of Winnipeg and other government bodies for its continued operations.

ST. BONIFACE MUSEUM BOARD
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Notes to Financial Statements

For the year ended December 31, 2020

13. Uncertainty Relating to COVID-19

The impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of COVID-19 continue, there could be further impact on the Museum, its funders and donors. Management is actively monitoring the affect on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Museum is not able to fully estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity at this time.

14. Financial Instrument Risk Management

The Museum, through its financial assets and liabilities, is exposed to various risks in the normal course of operations. The Museum's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the organization's activities. The following analysis provides a measurement of those risks at year end.

Credit Risk

Credit risk is the risk that the organization will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the organization to significant concentrations of credit risk consist primarily of grants and accounts receivable. The Museum is not exposed to significant credit risk as the grants are primarily due from governments that pay in accordance to the funding agreements.

Liquidity Risk

Liquidity risk is the risk that the Museum will not be able to meet its obligations as they fall due. The Museum maintains adequate levels of working capital to ensure all its obligations can be met when they fall due.



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Mme Vania Gagnon, directrice générale
St. Boniface Museum Board exerçant ses activités sous Le Musée de Saint-Boniface Museum
494, avenue Taché
Winnipeg (Manitoba)
R2H 2B2

Le 23 juin 2021

Chère madame

Nous avons complété l'audit pour **St. Boniface Museum Board exerçant ses activités sous Le Musée de Saint-Boniface Museum** pour l'exercice fiscal terminé le 31 décembre 2020, et nous avons le plaisir de vous faire parvenir les documents suivants :

1. **états financiers**
2. **lettre de recommandations**
3. **balance de vérification, sommaire de mapping, écritures de journal et écritures de journal de reclassement**

Pour de plus amples renseignements, veuillez communiquer avec notre bureau.

Veuillez agréer, Chère madame, nos salutations des plus distinguées.

Johan Maccès, c.p.a., c.a.
Associé
BDO Canada s.r.l./LLP
Comptables professionnels agréés

JM/gm

p.j.



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Marc Prescott, président
St. Boniface Museum Board
exerçant ses activités sous Le Musée de Saint-Boniface Museum
494, avenue Taché
Winnipeg (Manitoba)
R2H 2B2

Le 21 juin 2021

Cher Monsieur Prescott

Objet : Lettre de recommandations

L'objectif d'un audit est d'obtenir un degré raisonnable de certitude que les états financiers ne contiennent pas d'inexactitudes importantes. L'audit ne vise pas à identifier les problèmes qui intéressent la direction dans le cadre de l'exercice de ses fonctions. Par conséquent, un audit n'identifiera pas, de façon générale, les problèmes de ce genre.

Dans le cadre de notre audit des états financiers de St. Boniface Museum Board exerçant ses activités sous Le Musée de Saint-Boniface Museum pour l'exercice terminé le 31 décembre 2020, nous n'avons pas identifié de problèmes majeurs devant être portés à votre attention.

Ce document a été préparé uniquement pour le conseil d'administration et la direction et n'a pas d'autres buts. Nous n'acceptons aucune responsabilité à l'égard de tierces parties qui l'utilisent.

Nous aimerions exprimer notre reconnaissance à l'égard de Vania Gagnon et Cindy Desrochers pour leur collaboration et l'assistance reçue dans le cadre de notre audit.

Il nous fera plaisir de discuter plus en détail des renseignements inclus dans ce rapport, le cas échéant.

Veuillez agréer, Monsieur, l'expression de nos sentiments les meilleurs.

Johan Maccès, c.p.a, c.a.
Associé
BDO Canada s.r.l./LLP
Comptables professionnels agréés

Copies : Vania Gagnon, directrice générale
Cindy Desrochers, gérante des finances et des opérations commerciales