

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
Financial Statements
Year Ended December 31, 2021

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(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
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Year Ended December 31, 2021

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Rawluk & Robert

CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members 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, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Museum as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

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Independent Auditor's Report to the Members of St. Boniface Museum Board *(continued)*

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.

Winnipeg, MB
June 15, 2022




Rawluk & Robert Chartered Professional Accountants Inc.
Chartered Professional Accountants

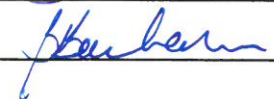
ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
Statement of Financial Position
December 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 228,924	\$ 141,484
Grants and accounts receivable	57,719	46,912
Gift shop inventory	60,318	73,752
	<u>346,961</u>	262,148
CAPITAL ASSETS (Note 3)	<u>81,870</u>	34,645
	<u>\$ 428,831</u>	<u>\$ 296,793</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 46,816	\$ 51,183
Deferred revenue (Note 6)	54,104	24,870
	<u>100,920</u>	76,053
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 7)	<u>8,947</u>	12,609
	<u>109,867</u>	88,662
NET ASSETS		
Unrestricted	66,095	66,095
Internally restricted for major repairs	76,238	20,000
Contingency reserve	100,000	100,000
Invested in capital assets	76,631	22,036
	<u>318,964</u>	208,131
	<u>\$ 428,831</u>	<u>\$ 296,793</u>

LEASE COMMITMENTS (Note 8)

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)

Statement of Revenues and Expenditures

Year Ended December 31, 2021

	Operating Fund 2021	Projects Fund 2021	Total 2021	Total 2020
REVENUES				
City of Winnipeg	\$ 450,000	\$ -	\$ 450,000	\$ 457,500
Government of Canada	65,075	-	65,075	16,418
Ami du/Friends of Musee de Saint-Bonifac Museum Inc.	-	57,960	57,960	28,000
Province of Manitoba	12,178	22,076	34,254	26,623
Sponsorships	25,000	-	25,000	3,000
Donations, rentals, recoveries and misc	18,359	-	18,359	19,984
Admission and program fees	9,694	-	9,694	8,134
Museum Assistance Program	-	-	-	68,466
Gift shop sales	52,108	-	52,108	43,508
Deferred amortization related to capital assets (Note 7)	6,998	371	7,369	6,998
Canada employment wage subsidy	165,567	-	165,567	134,109
Manitoba Bridge grant	15,000	-	15,000	5,000
	<u>819,979</u>	<u>80,407</u>	<u>900,386</u>	<u>817,740</u>
EXPENSES				
Advertising	6,281	16,203	22,484	23,027
Amortization	21,535	371	21,906	11,242
Artifact and curatorial	1,840	422	2,262	7,945
Conference and training	70	5,123	5,193	1,090
Gift shop	34,031	-	34,031	42,067
Insurance	1,530	-	1,530	1,375
Interest and bank charges	302	-	302	818
Maintenance	26,831	713	27,544	35,495
Office and technology	28,000	10,655	38,655	33,251
Other	488	-	488	656
Payroll tax	10,656	-	10,656	7,778
Printing	3,103	1,223	4,326	3,350
Professional fees	5,415	37,104	42,519	23,447
Programming and visitor services	4,251	3,132	7,383	16,045
Salaries and wages	507,143	4,355	511,498	417,699
Site improvements	-	706	706	-
Storage	39,930	-	39,930	39,343
Utilities	17,740	400	18,140	17,236
	<u>709,146</u>	<u>80,407</u>	<u>789,553</u>	<u>681,864</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 110,833</u>	<u>\$ -</u>	<u>\$ 110,833</u>	<u>\$ 135,876</u>

See notes to financial statements

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
Statement of Changes in Net Assets
Year Ended December 31, 2021

	Unrestricted	Internally Restricted for Major Repairs	Contingency Reserve	Invested in Capital Assets	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 66,095	\$ 20,000	\$ 100,000	\$ 22,036	\$ 208,131	\$ 72,255
Excess (deficiency) of revenues over expenses	69,132	56,238	-	(14,537)	110,833	135,876
Acquisition of capital assets	(69,132)	-	-	69,132	-	-
	-	-	-	-	-	-
NET ASSETS - END OF YEAR	\$ 66,095	\$ 76,238	\$ 100,000	\$ 76,631	\$ 318,964	\$ 208,131

See notes to financial statements

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)

Statement of Cash Flows
Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 110,833	\$ 135,876
Items not affecting cash:		
Deferred amortization related to capital assets	(7,369)	(6,998)
Amortization of capital assets	21,906	11,242
	<u>125,370</u>	<u>140,120</u>
Changes in non-cash working capital:		
Grants and accounts receivable	(10,809)	(25,759)
Gift shop inventory	13,434	(11,296)
Accounts payable and accrued liabilities	(4,366)	(17,867)
Deferred revenue	29,235	(7,274)
Deferred contributions related to capital assets	3,708	-
	<u>31,202</u>	<u>(62,196)</u>
Cash flow from operating activities	<u>156,572</u>	<u>77,924</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(69,132)</u>	<u>(17,460)</u>
INCREASE IN CASH FLOW	87,440	60,464
Cash - beginning of year	<u>141,483</u>	<u>81,019</u>
CASH - END OF YEAR	\$ 228,923	\$ 141,483
CASH CONSISTS OF:		
Chequing	\$ 35,512	\$ 69,109
Savings	192,758	71,721
Petty cash and other	653	653
	<u>\$ 228,923</u>	<u>\$ 141,483</u>

See notes to financial statements

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)

Notes to Financial Statements
Year Ended December 31, 2021

1. PURPOSE OF THE MUSEUM

St. Boniface Museum Board (the "Museum") is a not-for-profit organization of Manitoba. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The Museum collects, preserves, researches, and interprets a collection of artifacts relating to Western Canada's French-Canadian and Metis 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

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Gift Shop Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Equipment	5 years
Office furniture	5 years
Site improvements	3 years

The Museum regularly reviews its capital assets to eliminate obsolete items. Contributions received to purchase capital assets are amortized over the life of the asset.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use. In the year of acquisition one-half of the rate is used.

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ST. BONIFACE MUSEUM BOARD
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Notes to Financial Statements
Year Ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

St. Boniface Museum Board follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Grant revenue is recognized as revenue in the period to which it relates. Where a portion of a grant relates to a future period, it is deferred and recognized in the subsequent period.

Gift shop sales are recognized in revenue at the date of sale.

Admission and program fees and other revenue are recognized in the period for which services are provided.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price.

The carrying values of cash, short-term deposits, accounts and grants receivable and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of the instruments.

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
Notes to Financial Statements
Year Ended December 31, 2021

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value
Equipment	\$ 140,406	\$ 101,757	\$ 38,649
Office furniture	15,215	1,522	13,693
Site improvements	35,434	5,906	29,528
	<u>\$ 191,055</u>	<u>\$ 109,185</u>	<u>\$ 81,870</u>

	Cost	Accumulated amortization	2020 Net book value
Equipment	\$ 121,923	\$ 87,278	\$ 34,645

4. 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 prime plus 1% as at December 31, 2021, is guaranteed by a General Security Agreement, and is unutilized at year end (\$Nil - 2020).

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Accounts payable and accrued liabilities	\$ 24,136	\$ 24,942
Vacation payable	14,131	21,325
Salaries and benefits	8,555	4,498
Government remittance	(6)	418
	<u>\$ 46,816</u>	<u>\$ 51,183</u>

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)

Notes to Financial Statements
Year Ended December 31, 2021

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, 2020	Amounts Received or Receivable in 2021	Revenue Recognized in 2021	Deferred Revenue at December 31, 2021
Trails of 1885 Restorations	\$ 7,500	\$ 20,000	\$ 25,185	\$ 2,315
Signature Museum	12,579	-	-	12,579
Signature Museum MB Joint Sponsorships	-	69,178	57,960	11,218
	4,791	-	599	4,192
	-	23,800	-	23,800
	<u>\$ 24,870</u>	<u>\$ 112,978</u>	<u>\$ 83,744</u>	<u>\$ 54,104</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:

	2021	2020
Balance, beginning of year	\$ 12,609	\$ 19,607
Grants received during the year		
Additions during the year - Project Fund	<u>3,707</u>	-
Subtotal	<u>16,316</u>	19,607
Amount amortized during the year	<u>(6,998)</u>	(6,998)
Amounts amortized during the year - Project Fund	<u>(371)</u>	-
Balance, end of year	<u>\$ 8,947</u>	\$ 12,609

8. LEASE COMMITMENTS

Lease 1

The Museum has a long term lease with respect to its premises. The annual lease payments are \$25,410 plus common area costs estimated at \$14,000. The lease expires May 2025.

Lease 2

The Museum has a lease agreement for computer equipment with an annual lease payment 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.

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
Notes to Financial Statements
Year Ended December 31, 2021

10. CONTINGENCY RESERVE

In 2020 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.

13. FINANCIAL INSTRUMENTS

The Museum is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Museum's risk exposure and concentration as of December 31, 2021.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Museum is exposed to credit risk from customers. In order to reduce its credit risk, the Museum reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Museum has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Museum is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Unless otherwise noted, it is management's opinion that the Museum is not exposed to significant other price risks arising from these financial instruments.

14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.
