

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
Financial Statements
Year Ended December 31, 2022

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
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Year Ended December 31, 2022

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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 organization), which comprise the statement of financial position as at December 31, 2022, 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 organization as at December 31, 2022, 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 organization 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

(continues)

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 (*continued*)

Those charged with governance are responsible for overseeing the organization'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 organization'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 organization'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 organization 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.

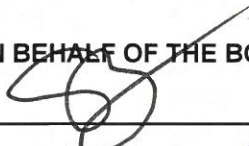
Winnipeg, MB
June 14, 2023

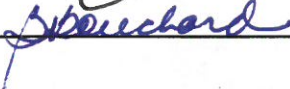

Rawluk & Robert Chartered Professional Accountants Inc.
Chartered Professional Accountants

ST. BONIFACE MUSEUM BOARD
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
Statement of Financial Position
December 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 344,306	\$ 228,924
Grants and accounts receivable	30,156	57,719
Gift shop inventory	65,755	60,318
	<u>440,217</u>	<u>346,961</u>
CAPITAL ASSETS (Note 3)	98,412	81,870
	<u>\$ 538,629</u>	<u>\$ 428,831</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 58,902	\$ 46,816
Deferred revenue (Note 6)	71,311	54,104
	<u>130,213</u>	<u>100,920</u>
DEFERRED REVENUE RELATED TO CAPITAL CONTRIBUTIONS (Note 7)	16,370	8,947
	<u>146,583</u>	<u>109,867</u>
NET ASSETS		
Unrestricted	56	66,095
Internally restricted for major repairs	151,238	76,238
Contingency reserve	140,500	100,000
Invested in capital assets	100,252	76,631
	<u>392,046</u>	<u>318,964</u>
	<u>\$ 538,629</u>	<u>\$ 428,831</u>

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, 2022

	Operational 2022	Projects 2022	Total 2022	Total 2021
REVENUES				
City of Winnipeg	\$ 445,500	\$ -	\$ 445,500	\$ 450,000
Canada employment wage subsidy	120,667	-	120,667	165,567
Gift shop sales	70,229	-	70,229	52,108
Admission and program fees	31,926	-	31,926	9,694
Sponsorships	26,800	-	26,800	25,000
Province of Manitoba	25,597	2,315	27,912	34,254
Government of Canada	25,489	-	25,489	65,075
Donations, rentals, recoveries and misc	26,301	22,196	48,497	18,359
Manitoba Bridge grant	12,000	-	12,000	15,000
Deferred amortization related to capital assets (Note 7)	5,836	1,242	7,078	7,369
Ami du/Friends of Musee de Saint-Bonifac Museum Inc.	-	59,183	59,183	57,960
	<u>790,345</u>	<u>84,936</u>	<u>875,281</u>	<u>900,386</u>
EXPENSES				
Advertising	11,211	23,623	34,834	22,484
Amortization	29,500	1,701	31,201	21,906
Artifact and curatorial	789	9,022	9,811	2,262
Conference and training	687	5,261	5,948	5,193
Gift shop	40,575	-	40,575	34,031
Insurance	1,729	-	1,729	1,530
Interest and bank charges	362	-	362	303
Maintenance	40,465	-	40,465	27,544
Office and technology	28,808	2,293	31,101	38,655
Other	501	-	501	488
Payroll tax	7,899	-	7,899	10,656
Printing	3,937	1,255	5,192	4,326
Professional fees	11,001	20,568	31,569	42,518
Programming and visitor services	7,001	10,772	17,773	7,383
Exhibit improvements	2,165	6,165	8,330	-
Salaries and wages	474,480	-	474,480	511,498
Site improvements	-	-	-	706
Storage	39,930	-	39,930	39,930
Utilities	20,499	-	20,499	18,140
	<u>721,539</u>	<u>80,660</u>	<u>802,199</u>	<u>789,553</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 68,806</u>	<u>\$ 4,276</u>	<u>\$ 73,082</u>	<u>\$ 110,833</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, 2022

	Unrestricted	Internally Restricted for Major Repairs	Contingency Reserve	Invested in Capital Assets	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 66,095	\$ 76,238	\$ 100,000	\$ 76,631	\$ 318,964	\$ 208,131
Excess of revenues over expenses	56,705	-	40,500	(24,123)	73,082	110,833
Transfers during the year (Note 9)	(75,000)	75,000	-	-	-	-
Acquisition of capital assets	(47,744)	-	-	47,744	-	-
NET ASSETS - END OF YEAR	\$ 56	\$ 151,238	\$ 140,500	\$ 100,252	\$ 392,046	\$ 318,964

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, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 73,082	\$ 110,833
Items not affecting cash:		
Amortization of capital assets	31,201	21,906
Deferred amortization related to capital assets	(7,077)	(7,369)
	<u>97,206</u>	<u>125,370</u>
Changes in non-cash working capital:		
Grants and accounts receivable	27,564	(10,809)
Gift shop inventory	(5,447)	13,434
Accounts payable and accrued liabilities	12,086	(4,367)
Deferred revenue	17,207	29,235
Deferred contributions related to capital assets	14,511	3,708
	<u>65,921</u>	<u>31,201</u>
Cash flow from operating activities	<u>163,127</u>	<u>156,571</u>
INVESTING ACTIVITY		
Purchase of capital assets	(47,744)	(69,132)
INCREASE IN CASH FLOW	115,383	87,439
Cash - beginning of year	<u>228,923</u>	<u>141,484</u>
CASH - END OF YEAR	\$ 344,306	\$ 228,923
CASH CONSISTS OF:		
Petty cash, float, Paypal	\$ 1,251	\$ 653
National Bank - Chequing	48,769	35,512
Savings	294,286	192,758
	<u>\$ 344,306</u>	<u>\$ 228,923</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, 2022

1. PURPOSE OF THE ORGANIZATION

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). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

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
Exhibit improvements	10 years
Office furniture	5 years
Site improvements	3 years

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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ST. BONIFACE MUSEUM BOARD
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Notes to Financial Statements
Year Ended December 31, 2022

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, 2022

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value
Equipment	\$ 159,579	\$ 116,675	\$ 42,904
Exhibit improvements	28,570	1,429	27,141
Office furniture	15,215	4,565	10,650
Site improvements	35,434	17,717	17,717
	\$ 238,798	\$ 140,386	\$ 98,412

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

4. LINE OF CREDIT

The organization 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, 2022, is guaranteed by a General Security Agreement, and is unutilized at year end (\$Nil - 2021).

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Accounts payable and accrued liabilities	\$ 29,415	\$ 24,136
Vacation payable	19,745	14,131
Salaries and benefits	9,648	8,555
Government remittance	94	(6)
	\$ 58,902	\$ 46,816

ST. BONIFACE MUSEUM BOARD
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Notes to Financial Statements
Year Ended December 31, 2022

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, 2021	Amounts Received or Receivable in 2022	Revenue Recognized in 2022	Deferred Revenue at December 31, 2022
MAP Recovery	\$ -	\$ 54,773	\$ -	\$ 54,773
Restorations	12,579	-	12,579	-
Signature Museum	11,218	73,139	70,540	13,817
Signature Museum MB Joint	4,192	-	1,471	2,721
Sponsorships	23,800	-	23,800	-
Trails of 1885	2,315	-	2,315	-
	\$ 54,104	\$ 127,912	\$ 110,705	\$ 71,311

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:

	2022	2021
Balance, beginning of year	\$ 8,947	\$ 12,609
Grants received during the year		
Additions during the year - Project Fund	10,000	3,707
Additions during the year - Operating Fund	4,501	-
Subtotal	23,448	16,316
Amount amortized during the year	(5,836)	(6,998)
Amount amortized during the year - Project Fund	(1,242)	(371)
Balance, end of year	\$ 16,370	\$ 8,947

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Notes to Financial Statements
Year Ended December 31, 2022

8. LEASE COMMITMENTS

Lease 1

The organization 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.

2023	\$	39,410
2024		39,410
2025		16,421
		<u>95,241</u>
	\$	<u>95,241</u>

Lease 2

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

2023	\$	2,500
2024		1,458
		<u>3,958</u>
	\$	<u>3,958</u>

9. INTERNALLY RESTRICTED NET ASSETS

In 2022, the Board of Directors restricted \$75,000 for major repairs. Withdrawals require approval by the Board of Directors.

10. CONTINGENCY RESERVE

In 2020 the Board of Directors restricted \$100,000 to the internally restricted contingency reserve. In 2022 an additional \$40,500 was internally restricted by the Board. 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
(Operating as LE MUSÉE DE SAINT-BONIFACE MUSEUM)
Notes to Financial Statements
Year Ended December 31, 2022

13. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of December 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization 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 organization 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 organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable and accrued liabilities..

Unless otherwise noted, it is management's opinion that the organization 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.
