

CANADIAN MUSEUM OF NATURE

QUARTERLY FINANCIAL REPORT

(Unaudited)

For the three and nine-month periods
ended December 31, 2023

Canada



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MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

These quarterly financial statements must be read in conjunction with the most recent audited annual financial statements for the year ended March 31, 2023, and with the narrative discussion included in this quarterly financial report of the Canadian Museum of Nature (the “Museum”).

The Museum’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 that Act and 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 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 strives to demonstrate accountability, value, and fiscal effectiveness by achieving measurable, meaningful results.

Achieving financial sustainability continues to be one of the main priorities of the Museum. The Museum has in place several 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.

The Museum did not experience closures or capacity restraints related to the COVID-19 pandemic or protests during the three and nine months ended December 31, 2023, however not all revenue streams had recovered to pre-pandemic levels by December 31, 2023. General visitor attendance exceeded pre-pandemic levels in some months of 2022-23 and 2023-24, resulting in admissions and program fee revenue exceeding pre-pandemic levels. The Museum believes this surge in attendance is due to visitor demand for activities that had built up during the pandemic but does not anticipate the trend to continue beyond 2023-24. Some other revenue streams, such as rentals and programming, began to recover to pre-pandemic levels during 2022-23 and the nine months ended December 31, 2023, however they had not reached pre-pandemic levels by December 31, 2023. The Museum anticipates that these revenue streams will continue to recover in 2024-25 and 2025-26.

During 2022-23, the Museum received \$5.1 million of supplementary funding to address revenue shortfalls resulting from the pandemic. The 2022-23 funding was received in the fourth quarter of 2022-23. No similar funding was received during the nine months ended December 31, 2023, however, in January 2024, the Museum received \$4.6 million of supplementary funding through Budget 2023 to address gaps between the Museum’s operating costs and parliamentary appropriations.

FINANCIAL PERFORMANCE

REVENUE AND PARLIAMENTARY APPROPRIATIONS

Revenue and parliamentary appropriations increased by \$2.8 million (8%) to \$36.7 million for the nine months ended December 31, 2023 from \$33.9 million for the nine months ended December 31, 2022, with parliamentary appropriations representing 71% of the total in the 2023-24 period, compared to 77% in the 2022-23 period.

Revenue and parliamentary appropriations increased by \$0.7 million (6%) for the three months ended December 31, 2023 to \$11.9 million, compared to \$11.2 million for the three months ended December 31, 2022, with parliamentary appropriations representing 72% of the total in the 2023-24, compared to 78% in the 2022-23 period.

Parliamentary appropriations as a percentage of total revenue decreased between the three and nine-month periods of 2022-23 and 2023-24 due to the continued recovery of the Museum’s revenue-generating activities and higher interest income earned during 2023-24. The increase in revenue and parliamentary appropriations between the periods was due to strong visitor

attendance which exceeded pre-pandemic levels in some months, and the continued recovery of the Museum's other earned revenues streams such as rentals and programs to pre-pandemic levels, as well as higher interest revenue due to strong interest rates and cash balances during the 2023-24 periods.

Parliamentary Appropriations

On an accrual basis, parliamentary appropriations increased by \$0.1 million (1%) to \$26.1 million for the nine months ended December 31, 2023 from \$26.0 million for the nine months ended December 31, 2022. The increase was primarily due to differences in the timing and amount of capital asset acquisitions in each period.

On an accrual basis, parliamentary appropriations decreased by \$0.2 million (2%) to \$8.5 million for the three months ended December 31, 2023 from \$8.7 million for the three months ended December 31, 2022. The decrease was primarily due to differences in the timing and amount of capital asset acquisitions in each period.

Admission and Program Fees

Revenue generated from admission and program fees for the nine months ended December 31, 2023 was \$4.4 million, an increase of \$0.6 million (16%) compared to \$3.8 million earned in the same period of 2022-23. General admission visitation totaled 319,336 for the nine months of 2023-24, compared to 287,679 for the same period of 2022-23.

Revenue generated from admission and program fees for the three months ended December 31, 2023 was \$1.0 million, an increase of \$0.1 million (14%) compared to \$0.9 million earned in the same period of 2022-23. General admission visitation totaled 76,677 for the three months ended December 31, 2023, compared to 65,029 for the same period of 2022-23.

General visitor attendance exceeded pre-pandemic levels in some months of 2022-23 and 2023-24, resulting in revenue generated from admissions exceeding pre-pandemic levels. The Museum believes this surge in attendance is due to visitor demand for activities that had built up during the pandemic but does not anticipate the trend to continue beyond 2023-24.

Following the COVID-19 pandemic, 2022-23 programs including Nature Nocturne evenings, cafeteria operations, sleepovers and birthday parties remained shut down, with no revenues generated. Nature Nocturne events resumed in the nine months ended 2023-24, with a total of four events planned for the year. The Museum currently plans for the return of birthday parties and other programming subsequent to 2023-24 as the Museum rebuilds its internal support structures and as public interest in and demand for events continue to recover.

Ancillary Operations

Revenue associated with ancillary operations includes rentals of its VMMB and NHC facilities, boutique sales, cafeteria operations, parking, and collection services. Revenue from ancillary operations was \$2.6 million for the nine months ended December 31, 2023, an increase of \$0.3 million (16%) from \$2.3 million for the nine months ended December 31, 2022. The increase was primarily due to higher VMMB rental activity, and increased activity in the boutique and parking driven by higher visitor attendance during the 2023-24 period. VMMB rental activity continued to recover during the nine months ended December 31, 2023, but has not yet reached pre-pandemic levels. Revenue from cafeteria leases also contributed to the increase in ancillary operations revenue, as the cafeteria transitioned from offering limited menu items in late 2022-23 to being fully operational by the end of the third quarter of 2023-24.

Revenue from ancillary operations decreased by \$0.1 million (6%) to \$0.7 million for the three months ended December 31, 2023, from \$0.8 million for the three months ended December 31, 2022 due to differences in the timing of collection services between the periods and lower VMMB rental activity, partially offset by higher boutique and parking revenues driven by higher visitor attendance during the 2023-24 period.

Contributions

Contributions recognized as revenue vary from year to year based upon the resources required to fund research, collections and public education programs including installing new permanent galleries. On an accrual basis, contributions including donations, sponsorships, in-kind sponsorships and specimen donations were \$1.2 million for the nine months ended December 31, 2023, an increase of \$0.2 million (20%) from \$1.0 million for the nine months ended December 31, 2022.

On an accrual basis, contributions including donations, sponsorships, in-kind sponsorships, and specimen donations were \$0.5 million for the three months ended December 31, 2023, an increase of \$0.1 million (24%) from \$0.4 million for the three months ended December 31, 2022.

Interest

Interest revenue generated from cash deposits increased by \$0.9 million (167%) to \$1.5 million for the nine months ended December 31, 2023, compared to \$0.6 million for the nine months ended December 31, 2022. Interest revenue generated from cash deposits increased by \$0.2 million (79%) to \$0.5 million for the three months ended December 31, 2023, compared to \$0.3 million for the three months ended December 31, 2022. The increased interest revenue between the periods of 2022-23 and 2023-24 was due to significantly higher interest rates and higher average cash balances between the periods.

Professional and Scientific Services

Professional and scientific services include revenue earned from funding received for specific research and operational projects. Funding received for externally specified purposes is recognized as revenue as related expenses are incurred. Professional and scientific services increased by \$0.3 million (97%) to \$0.6 million for the nine months ended December 31, 2023, compared to \$0.3 million for the nine months ended December 31, 2022. Professional and scientific services increased by \$0.1 million to \$0.2 million for the three months ended December 31, 2023, compared to \$0.1 million for the three months ended December 31, 2022. Professional and scientific services revenue may fluctuate significantly between periods depending on projects that have received funding, and the timing and scope of projects.

Other

Other revenue includes revenue generated from travelling exhibitions, royalties, and non-routine activities. Other revenue increased by \$0.3 million to \$0.4 million for the nine months ended December 31, 2023, compared to \$0.1 million for the nine months ended December 31, 2022. Other revenue increased by \$0.4 million to \$0.4 million for the three months ended December 31, 2023, compared to nil for the three months ended December 31, 2022. The higher other revenue in the 2023-24 periods was primarily due to travelling exhibit revenue for the Museum's Planet Ice exhibit. The exhibit did not travel during the 2022-23 periods.

EXPENSES

Expenses increased by \$3.7 million (12%) to \$34.8 million for the nine months ended December 31, 2023, compared to \$31.1 million for the nine months ended December 31, 2022. Expenses increased by \$1.3 million (12%) to \$12.1 million for the three months ended December 31, 2023, compared to \$10.8 million for the three months ended December 31, 2022.

Increased costs in the 2023-24 periods were mainly due to variable costs associated with higher visitor attendance and more rental activities, including employees at the Victoria Memorial Museum Building, temporary exhibits, cost of goods sold at the boutique, and security, as well as increases to utility costs due to higher market rates, costs required to support externally funded research projects, and inflationary pressures on ongoing costs necessary to maintain the Museum's operations.

Experience and Engagement

Experience and engagement increased by \$1.7 million (24%) to \$8.7 million for the nine months ended December 31, 2023 from \$7.0 million for the nine months ended December 31, 2022. Experience and engagement increased by \$0.6 million (27%) to \$2.8 million for the three months ended December 31, 2023, compared to \$2.2 million for the three months ended December 31, 2022.

Increased costs in the 2023-24 periods were mainly due to additional staff costs to support higher attendance and rental activities, cost of goods sold associated with higher boutique sales, costs associated with the Under the Canopy temporary exhibit, and greater marketing activities. Increases in most experience and engagement expenses were correlated with increases to revenue-generating activities such as admission, rentals, travelling exhibitions and boutique sales.

Collections Care and Access

Collections care and access increased by \$0.7 million (30%) to \$3.0 million for the nine months ended December 31, 2023, compared to \$2.3 million for the nine months ended December 31, 2022. Collections care and access increased by \$0.2 million (19%) to \$1.1 million for the three months ended December 31, 2023, compared to \$0.9 million for the three months ended December 31, 2022. The higher expenses in the current periods were primarily related to additional staff costs associated with externally funded projects.

Research and Discovery

Research and discovery increased by \$0.6 million (18%) to \$4.3 million for the nine months ended December 31, 2023, compared to \$3.7 million for the nine months ended December 31, 2022. Research and discovery increased by \$0.4 million (38%) to \$1.6 million for the three months ended December 31, 2023, compared to \$1.2 million for the three months ended December 31, 2022. The higher expenses in the current periods were primarily related to additional staff costs associated with externally funded projects.

Corporate Services

Corporate services increased by \$0.7 million (18%) from \$3.8 million for the nine months ended December 31, 2022 to \$4.5 million for the nine months ended December 31, 2023. Corporate services increased by \$0.5 million (36%) from \$1.3 million for the three months ended December 31, 2022, to \$1.8 million for the three months ended December 31, 2023. The increased costs between the periods were due to higher personnel costs and higher base costs from external service providers.

Facilities

Expenses related to the Museum's buildings and grounds decreased by \$0.1 million (0.4%) from \$14.3 million for the nine months ended December 31, 2022 to \$14.2 million for the nine months ended December 31, 2023. Expenses related to the Museum's buildings and grounds decreased by \$0.4 million (8%) from \$5.2 million for the three months ended December 31, 2022 to \$4.8 million for the three months ended December 31, 2023. The decrease was due to the timing of repair and maintenance activities between the periods.

NET RESULTS OF OPERATIONS

Net results of operations for the nine months ended December 31, 2023 generated a surplus of \$2.0 million. The surplus was primarily attributable to \$1.5 million of interest revenue and revenues generated from admissions and program fees and ancillary operations due to visitor attendance recovering to, and in some months exceeding, pre-pandemic levels. Net results of operations for the three months ended December 31, 2023 resulted in a deficit of \$0.2 million. The deficit was mainly due to additional personnel costs, costs associated with temporary exhibitions, and higher non-discretionary costs including utilities and internal support costs, partially offset by earned revenues.

FINANCIAL SITUATION

Assets

Cash decreased by \$0.4 million (1%) to \$33.5 million as at December 31, 2023 from \$33.9 million as at March 31, 2023. The decrease was mainly due to the timing of payments issued to settle accounts payable.

Capital assets decreased by \$5.8 million (4%) to \$145.4 million as at December 31, 2023, compared to \$151.2 million as at March 31, 2023. The decrease was due to \$6.5 million of amortization, partially offset by \$0.7 million of capital asset additions made during the period.

Liabilities

Deferred revenues, contributions, parliamentary appropriations and capital funding increased by \$0.9 million (24%) to \$4.6 million as at December 31, 2023 from \$3.7 million as at March 31, 2023. The increase was attributable to \$3.4 million of previously deferred revenue recognized for the provision of goods and services, partially offset by \$4.3 million of restricted contributions, revenues, and appropriations deferred to future years.

Deferred capital funding decreased by \$5.1 million (4%) to \$137.1 million at December 31, 2023 from \$142.2 million at March 31, 2023 due to \$5.8 million of deferred capital funding recognized as revenue, partially offset by \$0.7 million of capital asset acquisitions during the nine months ended December 31, 2023. Deferred capital funding is recognized as revenue at the same pace as the amortization of the corresponding capital assets.

Net Assets

Unrestricted net assets of \$29.4 million as at December 31, 2023 were generated from a cumulative operating surplus and positive net results of operations for the nine months ended December 31, 2023 of \$2.0 million, which were partially offset by \$0.4 million of net change to investment in capital assets.

Investment in capital assets decreased by \$0.4 million between March 31, 2023, to \$11.5 million at December 31, 2023. Investment in capital assets is comprised of acquisitions, amortization, and dispositions of capital assets, lease payments, and accretion and changes in estimates impacting asset retirement obligations. Investment in capital assets is impacted by the accounting treatment of the Museum's Natural Heritage Campus located in Gatineau, Quebec, which is recorded in the Statement of Financial Position as an obligation under capital lease. Due to the higher interest at the start of the lease, it had a negative impact on the Museum's net assets for many years. As the interest component of the lease has continued to decrease, the deficit related to this accounting treatment began to reverse in 2019-20 and will continue to do so until it is fully eliminated by the end of the lease term in 2031. The accounting treatment of the lease does not impact the Museum's cash flow or financial stability in any way.

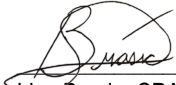
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation and fair presentation of these 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 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 quarterly financial statements.

Based on our knowledge, these unaudited 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 quarterly financial statements.



Danika Gosney, Ph.D.
President & Chief Executive Officer



Lisa Brasic, CPA-CA
Chief Financial Officer

Ottawa, Canada
February 29, 2024

FINANCIAL STATEMENTS

Statement of Financial Position (Unaudited)

<i>(in thousands of dollars)</i>	December 31 2023	March 31 2023
Assets		
Current		
Cash	33,456	33,864
Restricted cash	2,482	753
Accounts receivable		
Trade	175	321
Government departments and agencies (Note 4)	218	245
Inventories	230	189
Prepaid expenses	1,581	1,144
	38,142	36,516
Collections	1	1
Prepaid expenses	66	608
Employee advances	341	357
Restricted investments	1,196	1,196
Investments	940	940
Capital assets (Note 5)	145,359	151,158
	186,045	190,776
Liabilities		
Current		
Accounts payable and accrued liabilities		
Trade and other	4,073	5,009
Government departments and agencies (Note 4)	23	236
Obligation under capital lease (Note 6)	1,702	1,581
Deferred revenues, contributions, parliamentary appropriations, and capital funding (Note 7)	4,610	3,727
	10,408	10,553
Obligation under capital lease (Note 6)	17,166	18,459
Deferred capital funding (Note 7)	137,104	142,179
Asset retirement obligation (Note 8)	884	845
Employee future benefits	2,610	2,824
	168,172	174,860
Net assets		
Unrestricted	29,370	27,822
Investment in capital assets (Note 9)	(11,497)	(11,906)
	17,873	15,916
	186,045	190,776

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

**Statement of Operations for the three and nine-month periods ended December 31
(Unaudited)**

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022 Restated (Note 3)	2023	2022 Restated (Note 3)
<i>(in thousands of dollars)</i>				
Revenue (Note 10)				
Admission and program fees	973	852	4,363	3,766
Ancillary operations	734	784	2,608	2,255
Contributions	533	431	1,215	1,012
Interest	500	279	1,466	550
Professional and scientific services	238	99	561	285
Other	363	4	401	109
	3,341	2,449	10,614	7,977
Expenses (Note 11)				
Experience and engagement	2,844	2,247	8,705	7,022
Collections care and access	1,038	872	2,990	2,299
Research and discovery	1,646	1,196	4,296	3,652
Corporate Services	1,753	1,285	4,536	3,842
Facilities	4,835	5,249	14,239	14,295
	12,116	10,849	34,766	31,110
Net result of operations before parliamentary appropriations	(8,775)	(8,400)	(24,152)	(23,133)
Parliamentary appropriations (Note 12)	8,544	8,712	26,109	25,977
Net result of operations	(231)	312	1,957	2,844

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

**Statement of Changes in Net Assets
(Unaudited)**

For the three-month period ended December 31

	Unrestricted	Invested in capital assets (Note 9)	2023	2022 Restated (Note 3)
<i>(in thousands of dollars)</i>				
Net assets, beginning of period ⁽¹⁾	29,642	(11,538)	18,104	9,923
Net result of operations	(231)	-	(231)	312
Net change in investment in capital assets	(41)	41	-	-
Net assets, end of period	29,370	(11,497)	17,873	10,235

For the nine-month period ended December 31

	Unrestricted	Invested in capital assets (Note 9)	2023	2022 Restated (Note 3)
<i>(in thousands of dollars)</i>				
Net assets, beginning of period ⁽¹⁾	27,822	(11,906)	15,916	7,425
Net result of operations	1,957	-	1,957	2,844
Net change in investment in capital assets	(409)	409	-	-
Net assets, end of period	29,370	(11,497)	17,873	10,269

⁽¹⁾ December 31, 2022 balances of unrestricted net assets and net assets invested in capital assets have been restated. Refer to Note 3.

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

A statement of remeasurement gains and losses has been excluded as there were no remeasurement gains or losses in the nine months ended December 31, 2022 and 2023.

**Statement of Cash Flows for the three and nine-month periods ended December 31
(Unaudited)**

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022	2023	2022
<i>(in thousands of dollars)</i>				
Operating activities				
Cash receipts - customers and donors	2,354	2,358	10,003	7,258
Cash receipts - parliamentary appropriations	6,930	6,395	20,826	20,790
Cash disbursements - employees	(4,984)	(4,017)	(13,730)	(11,997)
Cash disbursements - suppliers	(4,146)	(4,189)	(13,972)	(11,747)
Interest received	478	272	1,416	536
Interest paid	(475)	(512)	(1,454)	(1,564)
Cash provided by operating activities	157	307	3,089	3,276
Capital activities				
Acquisition of capital assets	(200)	(279)	(596)	(1,218)
Disposition of capital assets	-	3	-	3
Cash used in capital activities	(200)	(276)	(596)	(1,215)
Financing activities				
Obligation under capital lease	(400)	(362)	(1,172)	(1,060)
Cash used in financing activities	(400)	(362)	(1,172)	(1,060)
(Decrease) increase in cash and restricted cash	(443)	(331)	1,321	1,001
Cash, beginning of period	35,066	26,851	33,864	25,731
Restricted cash, beginning of period	1,315	737	753	525
Cash and restricted cash, end of period	35,938	27,257	35,938	27,257
Cash, end of period	33,456	26,513	33,456	26,513
Restricted cash, end of period	2,482	744	2,482	744
Cash and restricted cash, end of period	35,938	27,257	35,938	27,257

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

Notes to the Financial Statements

for the three and nine-month periods ended December 31, 2023

(Unaudited, in thousands of dollars, unless otherwise specified)

1. Authority and Mission

The Canadian Museum of Nature (the “Corporation”) was established by the *Museums Act* on July 1, 1990. It is an agent Crown corporation named in Part I of Schedule III of the *Financial Administration Act* (FAA) and is not subject to the provisions of the *Income Tax Act*. The Corporation is classified as a government not-for-profit organization (GNPO).

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.

Brief descriptions of the Corporation’s activities are as follows:

- **Experience and engagement**

The Corporation creates, disseminates, and inspires engagement with the public through high-quality immersive experiences in its permanent galleries and exhibitions, digital dialogue, programming, revenue generating activities including admissions, rentals, and contributions, audience research and partnerships, to foster an understanding of, and respect for, nature and inspire philanthropic support. Expenses attributed to these activities are primarily personnel costs, exhibition costs, and marketing and advancement costs.

- **Collections care and access**

The Corporation acquires, develops, preserves, and makes accessible collections of natural history specimens, objects, images, and information to meet the growing needs of the public and private sectors for research, education, and informed decision-making about the natural world and how it is changing. The collection comprises biodiversity and geodiversity specimens including genomic samples, library and archives collections, and art, photo, and historical materials collections. This national collection is a significant part of Canada’s scientific and cultural resources and enables global research and discovery. Expenses attributed to collection activities are primarily personnel costs, collections care, preservation, and development costs, and collections digitization costs, including digitization equipment and information technology infrastructure. Revenue is generated primarily through external grants, sponsorships, partnerships and donations.

- **Research and discovery**

The Corporation is a recognized collections-based science leader that advances knowledge and understanding about biodiversity, geodiversity and the Arctic through research and discovery and that develops and maintains networks and linkages with Canadian and international science communities. The Corporation’s research informs our understanding of Earth’s mineral diversity, the global biodiversity crisis, and the impacts of climate change and other change drivers on the natural world. Expenses attributed to these activities are primarily personnel costs, costs associated with field and laboratory-based research, and publishing costs. Revenue is generated primarily through external grants, sponsorships, partnerships and donations.

- **Corporate Services**

The Corporation develops and implements policies, processes and an accountability structure to oversee the fulfillment of its mandate, including governance, strategic direction, corporate services, monitoring of corporate performance, and reporting to Parliament. Corporate services functions support all divisions of the Corporation. Functions include human resources, finance, information technology, internal and external reporting, compliance, risk management, strategic affairs, and governance. Expenses attributed to these activities are primarily personnel costs.

- **Facilities**

The Corporation provides secure and functional facilities that meet all safety and building code requirements. These facilities are the Victoria Memorial Museum Building (“VMMB”) located in Ottawa, Ontario, and the Natural Heritage Campus (“NHC”) located in Gatineau, Quebec. Expenses attributed to these activities are primarily personnel costs, and costs associated with maintaining, cleaning, securing, heating, cooling, and otherwise operating the facilities.

Notes to the Financial Statements

for the three and nine-month periods ended December 31, 2023

(Unaudited, in thousands of dollars, unless otherwise specified)

On July 16, 2015, the Corporation was directed by the Governor General in Council (P.C. 2015-1105) pursuant to Section 89 of the FAA to align its travel, hospitality, conference and event expenditure policies, guidelines and practices with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations, and to report on the implementation of this directive in the Corporation's Corporate Plan. Since February 2017, the Corporation has complied with this directive and has aligned its policies and practices to the Treasury Board policies, directives and related instruments for travel, conference, hospitality and event expenditures.

2. Significant Accounting Policies

A) Basis of Presentation

The financial statements were prepared in accordance with Canadian Public Sector Accounting Standards ("PSAS"). The Corporation has elected to apply the Section 4200 series for government not-for-profit organizations, and the deferral method of accounting for contributions, in addition to the following significant accounting policies:

B) Financial Instruments

The Corporation's financial assets and liabilities are measured at cost or amortized cost. Financial assets include restricted and unrestricted cash and cash equivalents, restricted and unrestricted investments, and accounts receivable, while financial liabilities include accounts payable and accrued liabilities.

Financial instruments are assessed annually for impairment at the date of the year-end financial statements. Any impairment losses resulting from these assessments are reported in the Statement of Operations. Accounts receivable are reported net of any provision for impairment or inability to collect. Accounts payable and accrued liabilities are derecognized only when the underlying liability has been extinguished.

Transaction costs are added to the carrying value of financial instruments at the time they are initially recognized.

C) Cash and Restricted Cash

Cash, both restricted and unrestricted, consist of deposits with financial institutions that can be withdrawn without prior notice or penalty. Restricted cash and cash equivalents reflect the unused portion of deferred contributions received from individuals and corporate entities for a specified purpose.

D) Inventories

Inventory for resale is valued at the lower of cost and net realizable value, where cost is determined by using the weighted average cost method and net realizable value is based on retail price.

E) Collections

The Corporation holds and preserves an invaluable collection of natural history specimens for the benefit of Canadians, present and future. The Corporation divides the collection into the following four discipline-related groups:

- Earth Sciences, consisting of minerals, rocks, gems and fossils,
- Vertebrates, consisting of mammals, birds, fish, amphibians, and reptiles,
- Invertebrates, consisting of mollusks, insects, crustaceans, parasites and annelids, and
- Botany, consisting of algae, vascular plants, bryophytes and lichens

Notes to the Financial Statements for the three and nine-month periods ended December 31, 2023 (Unaudited, in thousands of dollars, unless otherwise specified)

The collections are shown at a nominal value of \$1.0 thousand in the Statement of Financial Position due to practical difficulties in determining a meaningful fair market value for these assets. Specimens purchased for the collections are recorded as an expense in the Statement of Operations in the year of their acquisition.

F) Investments and Restricted Investments

Investments within the Ottawa Community Foundation (“OCF”) and established as a 10-year term fund are recorded at amortized cost in the Statement of Financial Position. Investments are measured at amortized cost using the effective interest rate method through the Statement of Operations.

Restricted Investments within the OCF and established as a spend-down fund are recorded at amortized cost in the Statement of Financial Position. Spend-down amounts and investment income distributed from the fund for the purchase of depreciable capital assets are recorded as deferred revenues in the Statement of Financial Position.

Service fees charged by the OCF for the management of the fund are recorded as expenses in the Statement of Operations in the year incurred.

G) Capital Assets

Land and buildings owned by the Government of Canada and under the control of the Corporation are recorded at their estimated historical cost for land and their estimated historical cost less accumulated amortization for buildings. The historical net costs of the building have been credited to deferred contributions for the amortization of capital assets, and the estimated historical cost of the land has been credited to net assets.

Leasehold improvements are amortized over the lesser of the remaining lease term and estimated future life. Properties under capital lease are recorded at the present value of the minimum principal payments at the inception of the lease and are amortized by their annual principal payments, to associate the asset to the matching liability, which is most reflective of the expiration of the economic benefit.

Amounts included in capital projects in progress are transferred to the appropriate capital asset classification upon completion and are amortized accordingly. All other capital assets are recorded at cost and are amortized over their estimated useful life, using the straight-line method. Useful lives are as follows:

Capital Asset	Useful Life (Years)
Victoria Memorial Museum Building	40
Property under capital lease	35
Collection cabinets and compactors	35
Building improvements	5 to 25
Leasehold improvements	Shorter of 5 years and lease term
Equipment and furnishings	10
Permanent exhibitions	10
Website	5
Computer equipment	3

When conditions indicate that a capital asset is no longer able to contribute to the Corporation’s ability to provide goods or services, the capital asset is written down to its residual value, if any, and the resulting impairment loss is recognized as an expense in the Statement of Operations. When the value of future economic benefits associated with the capital asset are less

Notes to the Financial Statements for the three and nine-month periods ended December 31, 2023 (Unaudited, in thousands of dollars, unless otherwise specified)

than the net book value of the capital asset, the capital asset is written down to its residual value, if any, and the resulting impairment loss is recognized as an expense in the Statement of Operations.

H) Asset Retirement Obligations

The Corporation recognizes asset retirement obligations associated with the Corporation's capital assets. The Corporation has asset retirement obligations associated with certain of its operating equipment, including chillers, diesel reservoirs, piping, and freezers, as well as remaining asbestos in the Victoria Memorial Museum Building. Asset retirement obligations are recognized when, as of the financial reporting date, there is a legal obligation to incur retirement costs in relation to a capital asset that are the result of a past transaction or event that has occurred, where it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

To determine the asset retirement obligation, the best estimate of the expenditures required to settle the present obligation at the statement of financial position date is recorded on a discounted basis using the risk-free interest rate at each reporting date. The value of the asset retirement obligation is added to the capital asset class of the underlying asset and is depreciated on a straight-line basis over the remaining useful life of the underlying asset. The asset retirement obligation is accreted over time and recognized as an expense on the statement of operations. The asset retirement obligation is revalued at the end of each reporting period for changes in estimates. Changes in the future cash flow estimates resulting from revisions to the estimated timing or amount of undiscounted cash flows or the discount rate are recognized as increases or decreases to the asset retirement obligation and associated asset retirement cost included in capital assets in the year they become known. Actual asset retirement obligation expenditures up to the recorded liability at the time are charged against the obligation as the costs are incurred.

Expenditures required to settle the Corporation's asset retirement obligations include, but are not limited to, costs required to decommission or dismantle a tangible capital asset that was acquired, constructed, or developed, to remediate contamination of a tangible capital asset created by its normal use, post-retirement activities such as monitoring, and to construct other tangible capital assets to perform post-retirement activities.

I) Employee Future Benefits

i) Pension benefits

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

ii) Severance and sick leave benefits

Employees were entitled to severance benefits up to March 31, 2012, as provided for under labour contracts and conditions of employment.

The severance benefit obligation for employees who retire or resign, that accrued up to March 31, 2012, and remains unpaid, is measured using the projected benefit method. The actuarial gains (losses) are recognized on a systematic basis over the expected average remaining service life of the related employee group.

Other termination benefits are recognized in the period when the event that obligates the Corporation occurs.

The Corporation provides sick leave benefits for employees that accumulate but do not vest. The Corporation recognizes a liability and an expense for sick leave in the period in which employees render services in return for the benefits.

The cost of the accrued severance and sick leave benefit obligations is actuarially determined using the projected benefit method prorated on service and management's best estimates of future costs. Such estimates include inflation rates, discount rates,

Notes to the Financial Statements for the three and nine-month periods ended December 31, 2023 (Unaudited, in thousands of dollars, unless otherwise specified)

employee demographics and, for sick leave benefits, sick leave usage of active employees. Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. Actuarial gains (losses) are recognized on a systematic basis over the remaining service life of active employees covered by these benefits.

J) Revenue Recognition

i) Admission and program fees, ancillary operations and other revenues

Revenues from admission and program fees, ancillary operations, 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.

ii) Contributions

Contributions are comprised of donations received from individuals, foundations and corporations. The Corporation applies the deferral method to recognize its contributions as applicable for not-for-profit organizations.

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

Externally restricted contributions are recorded as deferred revenue and recognized as revenue in the year in which the related expenses are recognized.

Contributions externally restricted for the purchase of depreciable capital assets are deferred in the Statement of Financial Position. When the depreciable capital assets are purchased, the portion of the contribution used for acquisition of these capital assets is then reclassified as deferred capital funding in the Statement of Financial Position and recognized as revenue in the Statement of Operations on the same basis as the amortization of the corresponding capital assets.

Investment income related to restricted contributions is first recorded in the Statement of Financial Position as deferred revenues and then recognized as revenue in the Statement of Operations in the fiscal year in which the related expenses are incurred.

iii) Professional and scientific services

Professional and scientific services include externally restricted funding received for specific research, scientific, or other professional projects. When externally restricted project funding is received in advance of a project, it is recorded as deferred revenue. As project expenses are recognized, the deferred revenue is recognized as professional and scientific services revenue.

iv) In-kind sponsorships and specimen donations

In-kind sponsorships involve obtaining non-financial support for a project, activity or product in return for substantial public relations benefit. An in-kind sponsorship is recognized if the contributed good or service is used in the normal course of operations and would otherwise have been purchased, and once the exchange has taken place. In-kind sponsorships are recorded at their fair market value as contributions with an offset to the related expense in the Statement of Operations.

Specimens donated to the collections are recorded as contributions with an offsetting expense to collections care and access at fair market value, when the following three criteria are met: i) a fair market value has been established for the specimen; ii) the acquisition has been approved; and iii) transfer of the specimen's title to the Corporation has taken place.

v) Parliamentary appropriations

Parliamentary appropriations are recognized as revenue when the payments are authorized and all eligibility criteria have been met, except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the funding is recorded as deferred revenue and recognized as revenue in the year in which the related expenses are recognized. As such, appropriations for the purchase of capital assets are recorded as deferred revenue and recognized as revenue on the same basis as the amortization of the capital assets acquired.

Notes to the Financial Statements for the three and nine-month periods ended December 31, 2023 (Unaudited, in thousands of dollars, unless otherwise specified)

vi) Interest income

Interest on cash and unrestricted investments is recognized as revenue in the year it is earned. Interest earned from externally restricted investments is recorded as deferred revenue and recognized as revenue in the year in which the related expenses are recognized, including on the same basis as amortization for those related to the purchase of capital assets.

vii) Investments and Restricted investments

Investment income distributed from the 10-year term fund is recognized as revenue in the Statement of Operations.

Spend-down amounts and investment income distributed from the fund for the purchase of depreciable capital assets are recorded as deferred revenues in the Statement of Financial Position. When the depreciable capital assets are purchased, the portion of the revenues used for acquisition of these capital assets is then reclassified as deferred capital funding in the Statement of Financial Position and recognized as revenue in the Statement of Operations on the same basis as the amortization of the corresponding capital assets. Spend-down amounts and investment income distributed from the fund for specific expenses are deferred in the Statement of Financial Position and recognized as revenue in the Statement of Operations in the fiscal year in which related obligations are fulfilled and the related expenses are incurred.

K) Volunteer Services

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

L) Inter-Entity Transactions

Related party transactions, other than inter-entity transactions, are recorded at their exchange amount. Inter-entity transactions are transactions between two commonly controlled entities, which are recorded on a gross basis and are measured at the carrying amount, except for the following:

- Inter-entity transactions are measured at the exchange amount when undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or where the costs provided are covered.
- Goods or services received without charge between commonly controlled entities are not recognized in the financial statements, including audit services from the Office of the Auditor General of Canada and pension services from Public Services and Procurement Canada.

M) Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenue and expenses for the year. Employee future benefits, the estimated useful lives of capital assets, and estimated discount rates, inflation rates, timing of abandonment activities, and the costs necessary to settle obligations that are used to determine the present value of asset retirement obligations are the most significant items for which estimates are used. Actual results could differ significantly from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the fiscal year in which they become known.

N) Contingent Liabilities

Contingent liabilities are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is recognized, and an expense is recorded. If the likelihood is not determinable, or the amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

Notes to the Financial Statements

for the three and nine-month periods ended December 31, 2023

(Unaudited, in thousands of dollars, unless otherwise specified)

O) Allocation of Expenses

The Corporation does not apply the method of allocating costs for the purpose of distributing expenses between functions.

3. Adoption of New Accounting Standard

Effective April 1, 2022, the Corporation adopted Public Sector Accounting Board (“PSAB”) PS 3280 *Asset Retirement Obligations*. PS 3280 addresses the accounting and reporting of legal obligations associated with the retirement of tangible capital assets for public sector entities. In its initial adoption in the June 30, 2022 financial statements, the Corporation applied the prospective method, which did not result in the restatement of any comparative information. Subsequently, in order to align with Treasury Board directions, the Corporation applied the modified retrospective method, which resulted in the restatement of 2022 comparative information. Results for the nine months ended December 31, 2022 have been restated from originally disclosed values due to the change from adoption of PS 3280 under the prospective method to the modified retrospective method.

Under the modified retrospective method, the Corporation recognized liabilities for its existing retirement obligations, adjusted for accumulated accretion, asset retirement costs and accumulated amortization, and an adjustment to the opening balance of accumulated surplus. Accumulated accretion and amortization were calculated from the date the obligation was first incurred up to April 1, 2022. In accordance with the provisions for modified retrospective adoption of the standard under PS 3280, retrospective adjustments were calculated using the risk-free interest rates and inflation rates in place at the date of policy adoption, April 1, 2022.

The adoption of PS 3280 by applying the modified retroactive method resulted in the recognition of an asset retirement obligation of \$1.0 million, capital assets of \$0.2 million, and a decrease to net assets of \$0.8 million in the statement of financial position as at April 1, 2022.

The adoption of PS 3280, Asset Retirement Obligations using the modified retrospective method resulted in the restatement of March 31, 2022 financial statement line items and capital asset line items in order to reflect the recognition of asset retirement obligations and asset retirement costs at the time in which the Corporation became subject to those obligations, and accretion expense and amortization expense incurred up to March 31, 2022.

Notes to the Financial Statements
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A comparison of the impacted financial statement line items before and after the adoption of PS 3280 as at or for the three and nine-month periods ended December 31, 2022 are as follows:

	Three-month period ended December 31, 2022		Adjustments	Three-month period ended December 31, 2022	
	As previously presented			Restated	
Statement of Operations					
Facilities	5,283		(34)		5,249
Net result of operations before parliamentary appropri	(8,434)		34		(8,400)
Net result of operations	278		34		312
Statement of Changes in Net Assets					
Net assets, beginning of period	10,726		(803)		9,923
Net result of operations	278		34		312
<hr/>					
	ended December 31, 2022		Adjustments	Nine-month period ended December 31, 2022	
	As previously presented			Restated	
Statement of Operations					
Facilities	14,394		(99)		14,295
Net result of operations before parliamentary appropri	(23,232)		99		(23,133)
Net result of operations	2,745		99		2,844
Statement of Changes in Net Assets					
Net assets, beginning of period	8,259		(834)		7,425
Net result of operations	2,745		99		2,844

Note 11 includes restated information resulting from the adoption of PS 3280.

Further information regarding the adoption of PS 3280 can be found in notes 2(h) and 8.

4. Inter-Entity Transactions

The Corporation is related to all Government of Canada departments, agencies and Crown corporations. The Corporation conducted transactions with these entities in the normal course of operations, under the same terms and conditions that applied to outside parties and recorded at the exchange amount.

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022	2023	2022
Revenues from Government of Canada related parties:				
Professional and scientific services	-	-	267	125
Ancillary operations (adjusted)	(6)	-	9	17
	(6)	-	276	142

Notes to the Financial Statements
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	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022	2023	2022
Expenses with Government of Canada related parties:				
Personnel costs	361	370	1,479	1,281
Real property taxes	299	307	914	923
Professional and special services	54	11	61	35
Information management, infrastructure and systems	3	6	13	16
Freight and cartage	3	4	10	50
Repairs and maintenance	-	3	-	3
Exhibits	1	-	1	-
	721	701	2,478	2,308

The following balances with Government of Canada related parties were outstanding at the end of the period:

	December 31 2023	March 31 2023
Due from related parties	218	245
Due to related parties	23	236

5. Capital Assets

Cost

	March 31 2023				December 31 2023
	Opening Balance	Additions and changes in estimates	Transfers	Dispositions / Impairment	Closing Balance
Victoria Memorial Museum Building	205,072	78	-	-	205,150
Property under capital lease	35,040	-	-	-	35,040
Permanent exhibitions	13,132	24	-	-	13,156
Leasehold improvements	12,785	31	-	-	12,816
Building improvements	8,497	55	1,347	-	9,899
Equipment and furnishings	8,080	63	-	(71)	8,072
Collection cabinets and compactors	3,985	-	-	-	3,985
Capital projects in progress	1,052	482	(1,347)	(29)	158
Land	627	-	-	-	627
Website	486	-	-	-	486
Computer equipment	4,656	51	-	-	4,707
	293,412	784	-	(100)	294,096

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Accumulated Amortization

	March 31 2023			December 31 2023
	Opening Balance	Additions	Dispositions / Impairment	Closing Balance
Victoria Memorial Museum Building	79,197	3,765	-	82,962
Property under capital lease	26,772	745	-	27,517
Permanent exhibitions	8,632	702	-	9,334
Leasehold improvements	8,368	130	-	8,498
Building improvements	5,687	611	-	6,298
Equipment and furnishings	6,070	374	(51)	6,393
Collection cabinets and compactors	2,855	86	-	2,941
Website	97	73	-	170
Computer equipment	4,576	48	-	4,624
	142,254	6,534	(51)	148,737

Net Book Value

	December 31 2023	March 31 2023
Victoria Memorial Museum Building	122,188	125,875
Property under capital lease	7,523	8,268
Permanent exhibitions	3,822	4,500
Leasehold improvements	4,318	4,417
Building improvements	3,601	2,810
Equipment and furnishings	1,679	2,010
Collection cabinets and compactors	1,044	1,130
Capital projects in progress	158	1,052
Land	627	627
Website	316	389
Computer equipment	83	80
	145,359	151,158

Amortization expense for the nine months ended December 31, 2023 was \$6.5 million (December 31, 2022 - \$6.7 million). No assets were sold during the three months ended December 31, 2023. During the nine months ended December 31, 2023, the Corporation derecognized \$29.1 thousand of capital projects in progress that have been suspended indefinitely and disposed of equipment with a cost of \$70.7 thousand and accumulated amortization of \$51.3 thousand for nil proceeds, resulting in a loss on disposition of \$19.4 thousand. During the nine months ended December 31, 2022, the Corporation sold a fully amortized asset in the category of equipment and furnishings for \$3.1 thousand, resulting in a gain of \$3.1 thousand.

6. Obligation Under Capital Lease

The Natural Heritage Campus houses the Corporation's 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

Notes to the Financial Statements
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discharge its obligation under the lease and obtain free title to the building in 2031, after the Corporation exercises its option to purchase the building for ten dollars.

Future minimum lease payments in aggregate, under the financing obligation are as follows:

		December 31 2023	March 31 2023
Total minimum future payments	(1)	27,125	29,750
Less: Interest component of minimum future payments		(8,257)	(9,710)
Present value of principal payments	(2)	18,868	20,040
Current liability		1,702	1,581
Long term liability		17,166	18,459
		18,868	20,040

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 8.75% is estimated at \$19.6 million.

Future minimum lease payments under the financing obligation, by year, are as follows:

	2024	2025	2026	2027	2028	Thereafter
Future minimum payments	875	3,500	3,500	3,500	3,500	12,250

7. Deferred Revenues, Contributions, Parliamentary Appropriations, and Capital Funding

Deferred revenues, contributions and parliamentary appropriations are as follows:

	March 31 2023			December 31 2023
	Opening Balance	Funding received	Funding recognized	Closing Balance
Parliamentary appropriations	376	-	(376)	-
Contributions	2,825	2,141	(1,048)	3,918
Operating revenues	526	2,176	(2,010)	692
	3,727	4,317	(3,434)	4,610

Deferred capital funding represents the portion of the parliamentary appropriations and restricted contributions from non-government sources used to purchase depreciable capital assets. Deferred capital funding is as follows:

	March 31 2023			December 31 2023
	Opening Balance	Capital assets acquired	Recognized as revenue	Closing Balance
Parliamentary appropriations	141,099	704	(5,611)	136,192
Contributions	1,080	-	(168)	912
	142,179	704	(5,779)	137,104

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8. Asset Retirement Obligation

Asset retirement obligations represent the present value of estimated future cash flows required to settle the Corporation's legal obligations associated with the retirement of its tangible capital assets. The Corporation has asset retirement obligations associated with certain of its operating equipment, including chillers, diesel reservoirs, piping, and freezers, as well as asbestos in the Victoria Memorial Museum Building. A risk-free rate of 3.02% (March 31, 2023: 3.02%) and inflation rate of 2.00% (March 31, 2023: 2.00%) were used to determine the present value of the obligations. The Corporation uses Bank of Canada bond yields as the basis for the risk-free rate. The undiscounted, uninflated asset retirement obligation at December 31, 2023 was \$1.0 million (March 31, 2023 - \$1.0 million). No asset retirement obligations were identified or settled during the nine months ended December 31, 2023, nor during the year ended March 31, 2023. The asset retirement obligations are expected to be incurred between 2036 and 2046. The Corporation does not have any legal requirements for financial assurance or funding for its current asset retirement obligations.

Changes in asset retirement obligations are as follows:

	Equipment and Furnishings	Leasehold Improvements	Victoria Memorial Museum Building	Total Asset Retirement Obligation
Balance, March 31, 2023	30	46	769	845
Changes in estimates	1	1	17	19
Accretion of asset retirement obligation	1	1	18	20
Balance, December 31, 2023	32	48	804	884

9. Investment in Capital Assets

The investment in capital assets is internally restricted and consists of the following:

	December 31, 2023	March 31, 2023
Capital assets (Note 5)	145,359	151,158
Less amounts financed by:		
Asset retirement obligation (Note 8)	(884)	(845)
Capital lease (Note 6)	(18,868)	(20,040)
Deferred capital funding (Note 7)	(137,104)	(142,179)
	(11,497)	(11,906)

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Net change in investment in capital assets for the nine months ended December 31, 2023 and year ended March 31, 2023 is calculated as follows:

	December 31, 2023	March 31, 2023
Capital asset additions	784	1,594
Add: repayment of obligation under capital lease	1,172	1,431
Less: accretion of asset retirement obligation	(20)	(26)
Plus (less): impact of changes in estimates to asset retirement estimate	(19)	82
Less: capital assets financed with deferred capital funding	(704)	(1,594)
Capital assets purchased with the Corporation's funds	1,213	1,487
Net dispositions of capital assets	(49)	-
Amortization of deferred capital funding	5,779	7,667
Amortization of capital assets	(6,534)	(8,673)
Net change in investment in capital assets	409	481

10. Revenue

Components of the Corporation's primary sources of revenue are detailed as follows:

Admission and program fees

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022	2023	2022
Admission fees – general	660	585	3,006	2,767
Admission fees – temporary exhibitions	184	152	720	632
Memberships	104	92	335	287
Programs	25	23	302	80
	973	852	4,363	3,766

Ancillary operations

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022	2023	2022
Boutique revenues	210	181	898	772
Parking	187	157	686	618
VMMB facility rentals	205	172	575	392
NHC collection services	84	204	251	307
NHC facility rentals	47	63	146	145
Cafeteria leases	1	7	52	21
	734	784	2,608	2,255

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Contributions

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022	2023	2022
Cash contributions and sponsorships	382	301	1,063	767
Specimen donations	151	130	152	132
	533	431	1,215	899
Contributions from the Foundation	-	-	-	113
	533	431	1,215	1,012

Other

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022	2023	2022
Exhibit loans	296	-	315	9
Other	67	4	86	100
	363	4	401	109

11. Summary of Expenses by Object

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022 Restated (Note 3)	2023	2022 Restated (Note 3)
Personnel costs	4,603	3,723	13,672	11,503
Amortization of capital assets	2,218	2,234	6,534	6,602
Professional and special services	1,296	1,233	3,403	3,073
Operation and maintenance of buildings	1,200	1,393	3,400	3,432
Real property taxes	618	618	1,858	1,832
Interest on capital lease obligation	475	512	1,454	1,564
Information management infrastructure and systems	574	466	1,273	1,056
Exhibitions	289	97	902	230
Marketing and communications	232	165	674	421
Travel	152	89	451	205
Cost of goods sold - natureBOUTIQUE	80	76	380	319
Repairs and maintenance	128	85	303	228
Objects for collections	155	131	169	133
Freight and cartage	10	7	31	22
Accretion of asset retirement obligation	7	6	20	19
Other	79	14	242	471
	12,116	10,849	34,766	31,110

Notes to the Financial Statements
for the three and nine-month periods ended December 31, 2023
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12. Parliamentary Appropriations

To achieve its mission, the Corporation relies on government funding. The composition of government funding is as follows:

	Three-month period ended December 31		Nine-month period ended December 31	
	2023	2022	2023	2022
Operating	6,930	6,865	20,789	20,741
Supplementary	-	47	37	47
Amortization of deferred contributions related to capital assets	1,910	1,927	5,611	5,674
Prior years' deferred appropriations recognized in current year	104	-	376	1,429
Appropriations deferred for future capital projects	-	175	-	(811)
Appropriations used to purchase amortizable capital assets	(400)	(302)	(704)	(1,103)
Appropriations recognized during the period	8,544	8,712	26,109	25,977

13. Subsequent Event

in January 2024, the Museum received \$4.6 million of supplementary funding through Budget 2023 to address gaps between the Museum's operating costs and parliamentary appropriations.

14. Comparative Figures

Certain comparative figures have been reclassified to conform to the current period's presentation.