

1. IDENTIFICATION OF APPLICANT:

Organization name:

Mailing Address:

Contact Person:

Telephone:

Email Address:

2. ORGANIZATION INFORMATION:

Are you registered under the *Societies Act*?

Yes

No

Are you a registered charity?

Yes

No

Society or Charity Registration Number:

Did your organization receive a local grant from the Township last year?

Yes

No

Has a final report been submitted?

Yes

No

*This collection of personal information is authorized under Section 26(c) of the Freedom of Information and Protection of Privacy Act. The information will be used for processing this application. Questions about the collection or use of this information can be directed to the Township's Corporate Officer at corporate.services@esquimalt.ca, 250-414-7135, or 1229 Esquimalt Road, Esquimalt, BC, V9A 3P1.*

**ORGANIZATIONAL CAPACITY (20%)**

3. Please attach your most recent financial statements.
4. Please outline your administrative and Board/Committee structures. Do staff have the necessary qualifications and experience to lead and execute the program or event? Please provide details.

The Maritime Museum of BC (MMBC) has a volunteer Board of eleven Directors; they are responsible for the governance and ongoing fiscal security of the organization. There will be five regular staff positions and seven contract positions over the course of 2025. These staff are all museum professionals with specialized education and work experience in museum, education, and non-profit sectors.

5. What is your organization's history of providing benefit to the residents of Esquimalt?

Since our inception in 1955, we have served Esquimalt residents. Two targeted projects are ongoing since 2019: free programs for all ages through Esquimalt-based social service non-profits, and free school programs for children in Esquimalt schools. With previous funding, we delivered 24 free school programs to 528 total children in Esquimalt classrooms.

6. What is your organization's role or niche in the community? What makes it different from other similar organizations?

Esquimalt is a maritime place; there's nowhere like the MMBC to access unique museum education programs that connect directly with local heritage, place, and community. We enhance traditional classroom learning with maritime experiences.

7. How is your organization moving towards financial self-sufficiency?

Reliable earned revenue streams from admissions, fundraising campaigns, major gifts, and bequests all reflect the rising profile of our programs and exhibits as we plan a major operational fundraising campaign for private donations in 2025.

**PROGRAM, PROJECT or EVENT DESCRIPTION (25%)**

8. Please provide a description of the program, project or event and why a local grant is required. Include details such as:

- who is your target audience?
- what are the key goals and objectives?
- what are the anticipated outcomes?
- a detailed work plan with project timelines

Please see the attached document named "2025 MMBC Township of Esquimalt Application." This document includes our program budget.

9. How will your organization measure whether the program or event was a success?

We will measure the number of programs we deliver and the number of participants we engage. We also seek qualitative feedback from the teachers that we can evaluate.

10. What is the minimum level of funding required for the program, project or event to occur? What would be the impacts if you received less than your full request?

It costs \$200 to deliver one free program to an Esquimalt area school. This would be the minimum amount of funding required. If we receive less funding, the impact is a reduction in free programs.

**BUDGETARY DETAILS (25%)**

11. Please attach your program or event budget. This should include all revenue classified as either secured or speculative. Ensure that expenditures do not exceed revenues.
12. Are there any special issues affecting expenses or revenue in the projected year? If yes, please explain.

No special issues.

13. Please describe any attempts made to secure funding from other sources. Provide details about funding that has been secured from other municipalities or levels of government.

The District of Oak Bay annually funds the delivery of free school programs to their schools. Free public programs are currently funded by the Victoria Foundation and the Hamber Foundation.

14. What are the plans to cover any potential revenue shortfall?

If we do not receive funding, the program is scaled down and fewer free programs are delivered.

15. If your request is higher than previous years, please provide an explanation.

N/A

16. Are any funds being used to provide grants to other individuals or organizations?

No. All funds received from the Township of Esquimalt go directly to covering the costs MMBC incurs running these school programs.

**COMMUNITY IMPACTS AND INVOLVEMENT (30%)**

17. How many people participate in or take advantage of the program, project or event for which you are seeking funding? How many of those people are Township residents?

We are asking for funding to support 10 free school programs for approximately 300 participants, all of whom are Township residents.

18. What environmental and sustainability initiatives will form part of the planning and execution of your program or event?

The MMBC uses all reusable and recyclable materials in our school programs. One program "Pollution Solutions" is right on theme, educating children about the health of their ocean environments.

19. How many volunteer staff do you utilize and what are the total volunteer hours?

When programs are delivered in our museum gallery, we have five volunteer aids who worked 20 hours in 2024; museum staff lead programs, and lead them without volunteer support when offsite.

20. Could the program, project or event occur without volunteer support? Why or why not?

Yes, the programs will still occur. We do not rely on volunteer support to run our school programs. Because of the specialization requirements, our school programs are developed and led by staff.

21. Please describe any significant established partnerships with other community groups

We current receive funding from the District of Oak Bay to deliver free school programs to the schools in their district. They fund approximately 10 programs a year.

**22. PUBLIC ACKNOWLEDGEMENT:**

All recipients of Township of Esquimalt local grants are required to publicly acknowledge the grant. How does your organization plan on publicly acknowledging the grant?

We have several marketing avenues to champion the Township of Esquimalt for supporting student access to museum education. Esquimalt schools and teachers would be notified of this opportunity, as would local media. Our Facebook and Instagram accounts total 6518 followers; our membership newsletter reaches 260; our Annual Report reaches 500; our programs website would feature your clickable logo.

**DECLARATION:**

I am an authorized signing officer of the organization and I certify that the information given in this application is correct. I agree to the following terms:

- The organization will be in compliance with all applicable municipal policies and bylaws.
- The organization will publicly acknowledge the local grant awarded by the Township.
- The organization is in good standing with either: (i) the Province of BC as a registered Society or (ii) the Canada Revenue Agency as a registered Charity.
- The grant application meets all the eligibility requirements of the Township's Local Grant Policy.

The information in this application will be reviewed and assessed by the Local Grant Committee to determine potential grant allocations. The Committee will evaluate all applications based on: Organizational Capacity, Program/Event Description, Budgetary Details, and Community Impacts and Involvement.

*Anya Zanko*

Signature

**Events & Development Manager**

Position

**Anya Zanko**

Name (please print)

**13 December 2024**

Date

# 2025 MMBC Township of Esquimalt Application

## Target Audience

Public schools within the borders of the Township of Esquimalt, specifically:

- Esquimalt High School
- Rockheights Middle School
- Macaulay Elementary School
- Esquimalt Preschool
- Puddle Jumpers Nature Preschool
- Ecole Victor-Brodeur

Each of our school programs targets a different age range. They are as follows:

- **Pollution Solutions**
  - **Description:** In Pollution Solutions, students will discuss where water comes from, recognize that freshwater is a limited resource, and explore the water cycle. Then, students will consider the questions: How are the oceans and water connected to us? What is pollution? How can we keep our water clean? By the end of the program, students will leave with a sense of optimism and tangible ways that they can keep the ocean healthy.
  - **Target audience:** Pollution Solutions is best aligned to the K-Grade 2 BC Science curriculum K-Grade 1 BC Social Studies curriculum, but can be adapted for a younger audience.
- **In Search of Equality: Deconstructing Immigration Experiences to the West Coast of BC**
  - **Description:** Immigration has significantly shaped our country, resulting in the culturally diverse landscapes that we see today. Immigrants' journeys to Canada forever changed their lives as well as the lives of those already living here. During this program, students will reflect on what it means to be "Canadian," empathize with refugees with a suitcase activity, and consider the legacy of discriminatory immigration policies.
  - **Target Audience:** This program is best aligned to the Grade 4-6 and Grade 9 BC Social Studies curriculum but is relevant to learners of all ages.

- **Survival Skills on the Sea**
  - **Description:** Exploration and learning about the land have been part of most cultures across the world. Students will learn about different types of “exploration” and consider how it impacted people living on BC’s west coast. They will practice their own survival skills such as knot tying and navigation skills.
  - **Target Audience:** This program is best aligned to the Grade 4-6 BC Social Studies curriculum but can be adapted for an older audience.
- **Furs, Forts, and Fervour: The Impact and Legacy of Contact**
  - **Description:** The Hudson’s Bay Company has had a profound impact on Indigenous Peoples, settlers, and the land. During this interactive school program, students will explore how society, economy, and environment are inherently integrated. They will have the opportunity to examine real otter and beaver pelts, a Hudson’s Bay blanket and other items important to the trade economy. Students will also consider the legacy that the HBC has on today’s society.
  - **Target Audience:** This program is best aligned to the Grade 4-9 BC Social Studies curriculum.

## Key Goals and Objectives

Our goal is to provide high quality museum education opportunities to school students in the Township of Esquimalt, ensuring they have the same access to these educational opportunities as other schools/students in the Greater Victoria region.

We’re also aiming to be better equipped to meet the demand for free school programs from the schools in Esquimalt, which seems to have the highest need of all municipalities in our region. We have received some funding from the Victoria Foundation in the past to offer free school programs across the region, but the need far exceeds our current funding levels. We are therefore seeking your support to help us meet the need for these educational opportunities for Esquimalt children and youth.

Here are some statements provided to us from teachers from Esquimalt schools about the need for free museum programming:

*“At this point I do not have enough funds to pay for a program in your museum with the money I am allotted by our school and PAC as I need to buy various materials and supplies for our every day classroom activities.”*





*"Our school district has put a spending freeze for this year and our PAC (Parents Association Committee) is stretching their dollars as much as possible, however, they cannot cover field trips for all of our 24 divisions. Many of our families, do not have the extra money to cover the cost of sending their child on a field trip."*

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*"Our school does a great job of supporting our underserved families with free food programs, supplies for school and personal support, especially as we have a high population of immigrant families that have come to Canada to start a new life. Schools have been relied on more and more for community needs stretching far beyond just an education. It is my hope to continue to be able to provide a solid education for all children."*

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*"Recent changes in the economy have made it so parents are unable to afford anything beyond necessities for their children, which has made field trips and extra curricular activities outside of their financial capabilities. It would be wonderful for the children to have the opportunity to visit a local museum."*

## Anticipated Outcomes

We anticipate being able to offer 10 free school programs to classrooms within the Township of Esquimalt, to approximately 300 student participants. This will ensure that these students have the same educational opportunities as others within the region.

## Work Plan and Timelines

### **April:**

Once funding is confirmed, we will reach out to the schools listed above, as well as the teachers teaching the grades that our programs specifically target, and inform them that funding is available and that it is being offered on a first-come-first-serve basis for the year 2025, which will span two different school years (2024/25 school year for April-June, and 2025/26 school year for September-December)



The  
**MARITIME MUSEUM**  
of BRITISH COLUMBIA

**May-June:**

Manage bookings and deliver the school programs.

**August:**

Remind the schools and teachers of any unused funding available for the fall months of the new school year.

**September-December:**

Manage bookings and deliver the school programs!

**Budget**

**Revenues**

| Item                  | Secured or Speculative? | Budget         | Notes  |
|-----------------------|-------------------------|----------------|--|
| Township of Esquimalt | Speculative             | \$2,000        | At \$200/program, this will provide 10 free school programs to Esquimalt schools     |
| Maritime Museum of BC | Secured                 | \$1,050        | We are committed to covering the admin costs associated with running these programs. |
| <b>TOTAL</b>          |                         | <b>\$3,050</b> |  |

**Expenses**

| Item                    | Budget         | Notes   |
|-------------------------|----------------|---|
| 10 Free School Programs | \$2,000        | At \$200/program, this will provide 10 free school programs to Esquimalt schools  |
| Staff Administration    | \$1,050        | This includes the time to reach out to schools, manage bookings, and seek feedback after the program. This is calculated to be approximately 3 hours per program. |
| <b>TOTAL</b>            | <b>\$3,050</b> |   |

**MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY**

**FINANCIAL STATEMENTS**

**MARCH 31, 2024**

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the members of the  
Maritime Museum of British Columbia Society

We have reviewed the accompanying financial statements of the Maritime Museum of British Columbia Society that comprise the statement of financial position as at March 31, 2024, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Basis for Qualified Conclusion

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were unable to determine whether any adjustments might be necessary to current assets and net assets as at March 31, 2024 and revenue, excess of revenues over expenses, and cash flows from operations for the year then ended.

**INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT, continued**

Qualified Conclusion

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Maritime Museum of British Columbia Society as at March 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*The Graphite Group*

Victoria, British Columbia  
September 26, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS



**THE GRAPHITE GROUP**  
CHARTERED PROFESSIONAL ACCOUNTANTS

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

|   | 2024              |                          |                                    |                   |                     | 2023              |
|---|-------------------|--------------------------|------------------------------------|-------------------|---------------------|-------------------|
|   | Operating Funds   |                          |                                    |                   |                     |                   |
|   | General           | Internally<br>Restricted | Capital Asset &<br>Collection Fund | Endowment<br>Fund | Total               | Total             |
| <b>CURRENT ASSETS</b>                             |                   |                          |                                    |                   |                     |                   |
| Cash and cash equivalents                         | \$ 47,699         | \$ 583,000               | \$ -                               | \$ 16,907         | \$ 647,606          | \$ 125,810        |
| Investments (Note 3)                              | 87,661            | 462,315                  | -                                  | -                 | 549,976             | 334,857           |
| Accounts receivable                               | 32,620            | -                        | -                                  | -                 | 32,620              | 4,844             |
| Inventory   | 9,498             | -                        | -                                  | -                 | 9,498               | 3,628             |
| Prepaid expenses                                  | 11,219            | -                        | -                                  | -                 | 11,219              | 10,883            |
| Due from (to) other funds                         | (31,365)          | 30,000                   | -                                  | 1,365             | -                   | -                 |
|   | 157,332           | 1,075,315                | -                                  | 18,272            | 1,260,919           | 480,022           |
| <b>TANGIBLE CAPITAL ASSETS (Note 4)</b>           | -                 | -                        | 14,324                             | -                 | 14,324              | 39,872            |
| <b>COLLECTION AND EXHIBITS (Note 5)</b>           | -                 | -                        | 1                                  | -                 | 1                   | 1                 |
|   | <b>\$ 157,332</b> | <b>\$ 1,075,315</b>      | <b>\$ 14,325</b>                   | <b>\$ 18,272</b>  | <b>\$ 1,265,244</b> | <b>\$ 519,895</b> |
| <b>CURRENT LIABILITIES</b>                        |                   |                          |                                    |                   |                     |                   |
| Accounts payable and accrued liabilities (Note 6) | \$ 37,686         | \$ -                     | \$ -                               | \$ -              | \$ 37,686           | \$ 45,512         |
| Deferred revenue                                  | 4,806             | -                        | -                                  | -                 | 4,806               | 5,560             |
|   | 42,492            | -                        | -                                  | -                 | 42,492              | 51,072            |
| <b>FUND BALANCES</b>                              |                   |                          |                                    |                   |                     |                   |
| Unrestricted                                      | 114,840           | -                        | -                                  | -                 | 114,840             | 229,716           |
| Internally restricted (Note 7)                    | -                 | 1,075,315                | -                                  | -                 | 1,075,315           | 158,010           |
| Endowment (Note 8)                                | -                 | -                        | -                                  | 18,272            | 18,272              | 41,224            |
| Invested in capital assets                        | -                 | -                        | 14,325                             | -                 | 14,325              | 39,873            |
|   | 114,840           | 1,075,315                | 14,325                             | 18,272            | 1,222,752           | 468,823           |
|   | <b>\$ 157,332</b> | <b>\$ 1,075,315</b>      | <b>\$ 14,325</b>                   | <b>\$ 18,272</b>  | <b>\$ 1,265,244</b> | <b>\$ 519,895</b> |

Commitments (Note 9)

Approved by the Board:



Director

Director

See accompanying notes to the financial statements.

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2024

|  | 2024            |                          |                                    |                   | 2023         |
|--|-----------------|--------------------------|------------------------------------|-------------------|--------------|
|  | Operating Funds |                          | Capital Asset &<br>Collection Fund | Endowment<br>Fund | Total        |
|  | General         | Internally<br>Restricted |                                    |                   | Total        |
| <b>REVENUES</b>  |                 |                          |                                    |                   |              |
| Admissions   | \$ 39,432       | \$ -                     | \$ -                               | \$ -              | \$ 39,432    |
| Events   | 76,409          | -                        | -                                  | -                 | 76,409       |
| Federal COVID-19 subsidies                               | -               | -                        | -                                  | -                 | -            |
| Gift shop and other                                      | 27,383          | -                        | -                                  | -                 | 27,383       |
| Interest and miscellaneous                               | 40,164          | -                        | -                                  | 404               | 40,568       |
| Memberships  | 7,159           | -                        | -                                  | -                 | 7,159        |
| Programs   | 15,647          | -                        | -                                  | -                 | 15,647       |
| Rental income  | 6,350           | -                        | -                                  | -                 | 6,350        |
|  | 212,544         | -                        | -                                  | 404               | 212,948      |
| <b>GIFTS AND DONATIONS</b>                               | 1,125,525       | -                        | -                                  | 25,645            | 1,151,170    |
| <b>GRANTS</b>  |                 |                          |                                    |                   |              |
| Federal  | 56,463          | -                        | -                                  | -                 | 56,463       |
| Municipal  | 2,916           | -                        | -                                  | -                 | 2,916        |
| Other  | 26,161          | -                        | -                                  | -                 | 26,161       |
| Provincial - gaming and other                            | 105,700         | -                        | -                                  | -                 | 105,700      |
|  | 191,240         | -                        | -                                  | -                 | 191,240      |
| <b>TOTAL REVENUE</b>                                     | 1,529,309       | -                        | -                                  | 26,049            | 1,555,358    |
| <b>EXPENSES</b>  |                 |                          |                                    |                   |              |
| Accounting   | 28,316          | -                        | -                                  | -                 | 28,316       |
| Amortization   | -               | -                        | 26,094                             | -                 | 26,094       |
| Bank charges and interest                                | 6,370           | -                        | -                                  | -                 | 6,370        |
| Building development                                     | 7,297           | -                        | -                                  | -                 | 7,297        |
| Collection and exhibits                                  | 29,413          | -                        | -                                  | 49,001            | 78,414       |
| Equipment and maintenance                                | 9,233           | -                        | -                                  | -                 | 9,233        |
| Events   | 67,373          | -                        | -                                  | -                 | 67,373       |
| Facility rental  | 56,093          | -                        | -                                  | -                 | 56,093       |
| Freight and postage                                      | 802             | -                        | -                                  | -                 | 802          |
| Gift shop - cost of goods sold                           | 7,645           | -                        | -                                  | -                 | 7,645        |
| Insurance  | 11,452          | -                        | -                                  | -                 | 11,452       |
| Licences, dues and subscriptions                         | 21,430          | -                        | -                                  | -                 | 21,430       |
| Marketing and promotion                                  | 50,087          | -                        | -                                  | -                 | 50,087       |
| Office and travel  | 10,500          | -                        | -                                  | -                 | 10,500       |
| Professional fees  | 2,866           | -                        | -                                  | -                 | 2,866        |
| Salaries and benefits                                    | 409,837         | -                        | -                                  | -                 | 409,837      |
| Supplies   | 7,620           | -                        | -                                  | -                 | 7,620        |
|  | 726,334         | -                        | 26,094                             | 49,001            | 801,429      |
| <b>TOTAL EXPENSES</b>                                    | 726,334         | -                        | 26,094                             | 49,001            | 801,429      |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER EXPENSES</b> | 802,975         | -                        | (26,094)                           | (22,952)          | 753,929      |
| <b>FUND BALANCES, beginning of year</b>                  | 229,716         | 158,010                  | 39,873                             | 41,224            | 468,823      |
| <b>Interfund transfers</b>                               |                 |                          |                                    |                   |              |
| Transfer to internally restricted                        | (917,305)       | 917,305                  | -                                  | -                 | -            |
| Purchase of capital assets                               | (546)           | -                        | 546                                | -                 | -            |
| <b>FUND BALANCES, ending of year</b>                     | \$ 114,840      | \$ 1,075,315             | \$ 14,325                          | \$ 18,272         | \$ 1,222,752 |

See accompanying notes to the financial statements.



# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

|  | 2024              | 2023              |
|--|-------------------|-------------------|
| <b>OPERATING ACTIVITIES</b>                        |                   |                   |
| Excess (deficiency) of revenues over expenses      | \$ 753,929        | \$ 187,098        |
| Adjustments for non-cash items:                    |                   |                   |
| Amortization                                       | 26,094            | 30,551            |
| Changes in non-cash working capital:               |                   |                   |
| Accounts receivable                                | (27,776)          | 2,901             |
| Inventory  | (5,870)           | 271               |
| Prepaid expenses                                   | (336)             | (2,796)           |
| Accounts payable and accrued liabilities           | (7,826)           | (2,720)           |
| Deferred revenue                                   | (754)             | (44,301)          |
|  | <b>737,461</b>    | <b>171,004</b>    |
| <b>INVESTING ACTIVITIES</b>                        |                   |                   |
| Purchase of investments                            | (215,119)         | (334,857)         |
| Purchase of tangible capital assets                | (546)             | (10,941)          |
|  | <b>(215,665)</b>  | <b>(345,798)</b>  |
| <b>INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b> | <b>521,796</b>    | <b>(174,794)</b>  |
| CASH AND EQUIVALENTS, beginning of year            | <b>125,810</b>    | <b>300,604</b>    |
| CASH AND EQUIVALENTS, end of year                  | <b>\$ 647,606</b> | <b>\$ 125,810</b> |
| <b>OTHER INFORMATION</b>                           |                   |                   |
| Cash flow from interest received                   | <b>\$ 13,103</b>  | <b>\$ 2,113</b>   |

See accompanying notes to the financial statements.

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2024

### 1. Nature of operations

Maritime Museum of British Columbia Society (the "Society") is a not-for-profit organization incorporated provincially under the *Society Act* of British Columbia. The purpose of the Society is to engage communities in witnessing and preserving maritime heritages. As a registered charity, the Society is exempt from the payment of income tax under Section 149(1) of the federal *Income Tax Act*.

### 2. Significant accounting policies

#### (a) Basis of presentation

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### (b) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with financial institutions maturing within 90 days.

#### (c) Inventory

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

#### (d) Fund accounting restricted

The Society follows the restricted fund method of accounting for contributions.

The Operating Funds account for the Society's programs delivery and administrative activities. The General Fund reports unrestricted resources and externally restricted operating grants. The Internally Restricted Fund reports resources received from bequests and other sources reserved for future use (Note 7).

The Capital Asset and Collection Fund reports assets, liabilities, revenue and expenses related to the Society's capital assets. It is the Society's policy to carry the museum collection at a nominal amount of \$1.

The Endowment Fund reports restricted resources that are to be used for specific purposes. The Endowment Fund reports assets, liabilities, revenues and expenses related to resources contributed as endowments for purposes which are externally restricted in their use (Note 8).

#### (e) Measurement uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates are periodically reviewed and any adjustments are reported in net assets in the period in which they become known. Actual results could differ from those estimates and may have impact on future periods.

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2024

### 2. Significant accounting policies, continued

#### (e) Measurement uncertainty, continued

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Areas requiring the use of management estimates include the useful life of assets for amortization, the net realizable value of the inventories, and the accrual of liabilities.

#### (f) Investments

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of the excess of revenues over expenses. Investments for which there is not an active market are carried at amortized cost except when it is established that their fair value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of the excess of revenues over expenses. Accrued interest is recorded as a component of accounts receivable.

#### (g) Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Expenditures for assets expected to be used for more-than one year and expenditures which substantially increase the expected useful life of existing assets are capitalized. Amortization is provided for using the straight-line method over the estimated useful lives as follows for the major classes of assets:

|                               |               |
|-------------------------------|---------------|
| Leasehold improvements        | term of lease |
| Computer equipment            | 3 years       |
| Equipment                     | 5 years       |
| Infrastructure and renovation | 25 years      |
| Signage                       | 5 years       |

#### (h) Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the General Operating Fund in the year in which the related expenses are incurred. All other contributions are recognized as revenue of the appropriate fund in the year received.

Contributions are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions for endowments are recognized as revenue of the Endowment Fund. Investment income earned on any Endowment Fund resources is recognized as revenue of the Operating Fund unless otherwise directed by the donor.

Admission, membership, gift shop, program, fundraising and rental income are all recognized as earned. Unearned amounts are recorded as deferred revenue.

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2024

### 2. Significant accounting policies, continued

#### (i) Financial instruments

##### (i) Measurement of financial instruments

The Society initially measures its financial assets and liabilities at fair value.

The Society subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenues over expenditures in the period incurred.

Financial assets measured at amortized cost on a straight line basis include cash and cash equivalents, investments and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities.

##### (ii) Financial instrument risks

Unless otherwise noted it is management's opinion that the Society is not exposed to significant interest, currency, market, liquidity or credit risks arising from these financial instruments.

#### (j) Contributed services

The operations of the Society depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably estimated and are therefore not reflected in these financial statements.

### 3. Investments

|  | 2024              | 2023              |
|--|-------------------|-------------------|
| Guaranteed investment certificates bearing interest at 3.20% to 5.50% (2023: 3.00% to 4.65%) per annum maturing September 14, 2024 to September 14, 2025 (2023: January 19, 2024). | <u>\$ 549,976</u> | <u>\$ 334,857</u> |

Investments can be redeemed prior to maturity subject to an interest penalty.

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2024

4. **Tangible capital assets**

|                               | <b>2024</b>                         |                                | <b>2023</b>                    |                  |
|-------------------------------|-------------------------------------|--------------------------------|--------------------------------|------------------|
| <b>Cost</b>                   | <b>Accumulated<br/>Amortization</b> | <b>Net Carrying<br/>Amount</b> | <b>Net Carrying<br/>Amount</b> |                  |
| Leasehold improvements        | \$ 64,205                           | \$ 57,264                      | \$ 6,941                       | \$ 27,764        |
| Computer equipment            | 27,413                              | 22,606                         | 4,807                          | 8,887            |
| Equipment                     | 169,142                             | 166,567                        | 2,575                          | 3,220            |
| Infrastructure and renovation | 1                                   | -                              | 1                              | 1                |
| Signage                       | 11,379                              | 11,379                         | -                              | -                |
|                               | <b>\$ 272,140</b>                   | <b>\$ 257,816</b>              | <b>\$ 14,324</b>               | <b>\$ 39,872</b> |

5. **Collection and exhibits**

The collection, exhibits and other archive material are shown at a nominal value of \$1. The Society's collection is currently insured for \$2,800,000.

6. **Government remittances payable**

Accounts payable and accrued liabilities include \$9,472 (2023: \$9,294) owing with respect to payroll withholdings, \$694 (2023: \$851) receivable with respect to Goods and Services Tax and \$45 (2023: \$44) owing with respect to Provincial Sales Tax.

7. **Internally restricted funds**

Internally restricted funds of \$1,075,315 (2023: \$158,010) are from the bequest of J. E. (Ted) Browne and Cora E. (Browne) Shaw.

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2024

### 8. Endowment Funds

The Endowment Fund is comprised of the following:

Eleanor Luxton Endowment - to be used to maintain the "Tilikum" exhibit.

"Dorothy" Endowment - to be used in support of maintaining and operating the sailing vessel "Dorothy".

|                         | Dorothy<br>Funds | Tilikum<br>Funds | 2024             | 2023             |
|-------------------------|------------------|------------------|------------------|------------------|
| Opening balance         | \$ 28,345        | \$ 12,879        | \$ 41,224        | \$ 33,272        |
| Interest                | 209              | 195              | 404              | 230              |
| Donations               | <u>25,645</u>    | <u>-</u>         | <u>25,645</u>    | <u>33,546</u>    |
|                         | 54,199           | 13,074           | 67,273           | 67,048           |
| Collections and exhibit | <u>(49,001)</u>  | <u>-</u>         | <u>(49,001)</u>  | <u>(25,824)</u>  |
|                         | <u>\$ 5,198</u>  | <u>\$ 13,074</u> | <u>\$ 18,272</u> | <u>\$ 41,224</u> |

### 9. Commitments

The Society has operating leases for a temporary storefront and a photocopier. The temporary storefront is located at 744 Douglas Street and the current lease term ends on July 31, 2027. Minimum estimated payments are as follows:

|      | Premises          | Photocopier     |
|------|-------------------|-----------------|
| 2025 | \$ 55,138         | \$ 1,188        |
| 2026 | 58,156            | 1,188           |
| 2027 | 61,225            | 594             |
| 2028 | <u>20,763</u>     | <u>-</u>        |
|      | <u>\$ 195,282</u> | <u>\$ 2,970</u> |

### 10. Credit facilities

The Society has an overdraft agreement to a maximum of \$50,000 of which \$Nil (2023: \$Nil) was drawn at year end, which bears interest at prime lending rate plus 1% per annum and is secured by a registered general security agreement and an assignment of accounts receivable and inventory.

# MARITIME MUSEUM OF BRITISH COLUMBIA SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2024

### 11. Funds held with Victoria Foundation

Not included in the financial statements are investments held in endowment with the Victoria Foundation. The account has the following fund activity and market values:

|                                 | 2024              | 2023              |
|---------------------------------|-------------------|-------------------|
| Market value, beginning balance | \$ 404,435        | \$ 370,889        |
| Contributions                   | 39,589            | 38,176            |
| Investment returns              | 50,351            | 8,915             |
| Distributions to the Society    | (15,083)          | (11,718)          |
| Management fees                 | <u>(2,126)</u>    | <u>(1,827)</u>    |
|                                 | <u>\$ 477,166</u> | <u>\$ 404,435</u> |

Effective March 25, 2024 the Society entered into an agreement with Victoria Foundation (the "Foundation") to established the SV Dorothy Endowment Fund (the "Fund") with a founding gift of \$10,000. The Foundation will maintain the founding gift and all subsequent gifts received by the Fund in perpetuity. The Foundation may make annual distributions to the Society based on income earned by the Fund in accordance with the Foundation's general distribution policies as they may exist from time to time. The Society has agreed to direct any such distributions received toward ongoing costs of ownership of SV Dorothy.

### 12. Financial instruments

The Society is exposed to various financial risks through transactions in financial instruments. The following provides helpful information in assessing the extent of the Society's exposure to these risks.

#### (a) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable and commitments.

#### (b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risk relates to its accounts receivable. The Society has an insignificant number of customers with whom it grants credit which minimizes credit risk.

#### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to interest rate risk with respect to its cash and other deposits at financial institutions.