

MONTREAL HOLOCAUST MUSEUM

FINANCIAL STATEMENTS

MARCH 31, 2023

**MONTREAL HOLOCAUST MUSEUM
FINANCIAL STATEMENTS
MARCH 31, 2023**

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INDEPENDENT AUDITOR'S REPORT

To the Directors of
Montreal Holocaust Museum

Qualified Opinion

We have audited the financial statements of Montreal Holocaust Museum (the Museum), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Museum as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Montreal Holocaust Museum derives revenue from donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our audit of these revenues was limited to the amounts recorded in the accounts of the Montreal Holocaust Museum. Therefore, we were not able to determine whether any adjustments might be necessary to contributions, excess (deficiency) of revenues over expenses and cash flows for the years ended March 31, 2023 and 2022, current assets as at March 31, 2023 and 2022 and net assets as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

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

Other Matter

The financial statements of Montreal Holocaust Museum for the year ended March 31, 2022 were audited by the firm FL Fuller Landau LLP whose practice now operates under BDO Canada LLP and who expressed a qualified opinion on September 9, 2022.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO Canada s.r.l./S.E.N.C.R.L./LLP¹

Montreal, September 11, 2023

¹ By CPA auditor, public accountancy permit No. A139139

**MONTREAL HOLOCAUST MUSEUM
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023**

	General Fund \$	Internally restricted Fund \$	Museum expansion Fund \$	2023 Total \$	2022 Total \$
ASSETS					
Current					
Cash	1,089,065	-	2,686,223	3,775,288	1,212,193
Short-term investments, at fair value (Note 3)	-	2,175,286	4,466,208	6,641,494	4,250,241
Grants receivable	-	-	-	-	58,249
Sundry receivables	19,057	-	277,801	296,858	43,395
Prepaid expenses	4,001	-	2,521	6,522	165,071
Investment - Fondation du Grand Montréal ("FGM") (Note 4)	23,403	-	-	23,403	23,646
	1,135,526	2,175,286	7,432,753	10,743,565	5,752,795
Capital assets (Note 5)	182,815	-	13,567,723	13,750,538	11,867,446
	1,318,341	2,175,286	21,000,476	24,494,103	17,620,241

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

**MONTREAL HOLOCAUST MUSEUM
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023**

	General Fund \$	Internally restricted Fund \$	Museum expansion Fund \$	2023 Total \$	2022 Total \$
LIABILITIES					
Current					
Accounts payable and accrued liabilities	136,225	-	566,609	702,834	162,359
Deferred contributions (Note 6)	270,034	-	-	270,034	265,957
Current portion of loans payable (Note 7)	-	-	7,729,469	7,729,469	58,249
	406,259	-	8,296,078	8,702,337	486,565
Deferred					
contributions (Note 6)	-	-	12,700,731	12,700,731	6,376,802
Loans payable	-	-	-	-	7,468,086
Deferred contributions - Museum, Audio Visual and Oral History (Note 8)	461,394	-	-	461,394	545,527
	867,653	-	20,996,809	21,864,462	14,876,980
FUND BALANCES					
General Fund	883,553	-	-	883,553	868,499
Internally restricted Fund	(3,960,966)	2,175,286	3,038,442	1,252,762	1,195,020
Museum expansion Fund	3,528,101	-	(3,034,775)	493,326	679,741
	450,688	2,175,286	3,667	2,629,641	2,743,260
	1,318,341	2,175,286	21,000,476	24,494,103	17,620,240

On behalf of the Board,

_____, Director

_____, Director

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

**MONTREAL HOLOCAUST MUSEUM
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2023**

	General Fund \$	Internally restricted Fund \$	Museum expansion Fund \$	2023 Total \$	2022 Total \$
Revenues					
Contributions - fundraising	890,957	-	-	890,957	553,173
Contributions from Federation CJA	312,193	-	-	312,193	234,145
Grants (Appendix A)	431,978	-	-	431,978	649,848
Museum admissions and book sales	124,919	-	-	124,919	68,020
	1,760,047	-	-	1,760,047	1,505,186
Expenses					
Administrative and general (Appendix B)	847,479	-	-	847,479	730,292
Commemoration and video testimony	114,383	-	-	114,383	145,384
Educational outreach	368,113	-	-	368,113	330,567
Museum activities	416,743	-	-	416,743	316,823
Museum expansion operations	-	-	574,107	574,107	474,678
	1,746,718	-	574,107	2,320,825	1,997,744
Excess (deficiency) of revenues over expenses before other items	13,329	-	(574,107)	(560,778)	(492,558)
Gain (loss) on present value of non-interest bearing long- term debt (Note 7)	-	-	(261,383)	(261,383)	64,505
Investment income (Note 10)	1,725	57,742	74,968	134,435	64,434
Donations - special gifts Museum expansion (Note 11)	-	-	574,107	574,107	474,677
Donations - Mécénat Musica - Montreal Holocaust Museum Fund (Note 12)	-	-	1,025,000	1,025,000	500,000
Contributions - Mécénat Musica - Montreal Holocaust Museum Fund (Note 12)	-	-	(1,025,000)	(1,025,000)	(500,000)
Excess (deficiency) of revenues over expenses	15,054	57,742	(186,415)	(113,619)	111,058

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

**MONTREAL HOLOCAUST MUSEUM
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 2023**

	General Fund \$	Internally restricted Fund \$	Museum expansion Fund \$	2023 Total \$	2022 Total \$
Balance, beginning of year	868,499	1,195,020	679,741	2,743,260	2,632,202
Excess (deficiency) of revenues over expenses	15,054	57,742	(186,415)	(113,619)	111,058
Balance, end of year	883,553	1,252,762	493,326	2,629,641	2,743,260

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

MONTREAL HOLOCAUST MUSEUM
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
	\$	\$
Operating activities		
Excess (deficiency) of revenues over expenses	(113,619)	111,058
Items not requiring cash		
Net amortization of capital assets (Note 9)	109,342	109,674
Gain on present value of non-interest bearing long-term debt	(196,878)	(64,505)
Change in investments	(50,798)	(210,675)
Change in market value of investments	(29,340)	76,916
	(281,293)	22,468
Net change in non-cash working capital items	509,886	(160,273)
	228,593	(137,805)
Investing activities		
Acquisition of capital assets	(2,076,567)	(805,576)
Net (loss) proceeds from marketable securities	(272,430)	396,877
Acquisition of term deposit	(2,038,442)	(1,000,000)
	(4,387,439)	(1,408,699)
Financing activities		
Increase (decrease) of loans payable	400,012	(95,998)
Increase of deferred contributions - Museum expansion	6,321,929	2,495,746
	6,721,941	2,399,748
Increase in cash and cash equivalents	2,563,095	853,244
Cash and cash equivalents, beginning of year	1,212,193	358,949
Cash and cash equivalents, end of year	3,775,288	1,212,193

Cash and cash equivalents consist of cash.

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

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

I. Nature of operations

Montreal Holocaust Museum ("Museum") is a not-for-profit organization incorporated under Part II of the Canada Corporations Act - and continued under the Canada Not-for-Profit Corporations Act. It is a registered charity under the Income Tax Act and as such is exempt from income taxes. The Museum's mission is to educate people of all ages and backgrounds about the Holocaust while sensitizing the public to the universal perils of antisemitism, racism, hate and indifference. Through its museum, commemorative programs and educational initiatives, the Museum is committed to promoting respect for diversity and the sanctity of all human life.

The Museum's funding includes a contribution from Federation CJA, contributions through fundraising and grants. The Museum is dependent upon these sources of funding to continue operations. Montreal Holocaust Museum, a constituent agency of Federation CJA, is an independent organization with its own board of directors.

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook – Accounting and include the following significant accounting policies:

Deferral method - with fund accounting

The Museum follows the deferral method of accounting for contributions.

Fund accounting

The General Fund reports the assets, liabilities, revenues and expenses related to programming and administrative activities.

The internally restricted Fund reports the assets, liabilities, revenues and expenses related to a reserve established by the Board of Directors of the Museum to provide for the replacement and updating of Museum equipment and the exhibits and other elements of the Museum's Action Plan. Also included are funds invested through the Jewish Community Foundation of Montreal's investment funds.

The Museum expansion Fund reports the assets, liabilities, revenues and expenses related to the expansion and construction of a new museum.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

2. Significant accounting policies (continued)

Revenue recognition

Restricted contributions, government and other grants are recognized as revenue in the appropriate Fund in the year in which the related expenses are incurred.

Unrestricted contributions and other grants are recognized as revenue in the General Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets.

Investment income is recognized as revenue on an accrual basis. Income earned is recognized in the internally restricted Fund, except for investment income earned on the marketable securities held for the Museum expansion Fund. This investment income is recognized in the deferred contributions of the Museum expansion Fund.

Museum admission fees and book sales are recognized as revenue in the General Fund when earned and the goods are provided.

Capital assets

Capital assets are accounted for at cost. Amortization is calculated on their respective estimated useful lives using the straight-line method over the following periods:

	<u>Periods</u>
Leasehold improvements	20 years
Exhibits	10 years
Buildings	20 years

Impairment of long-lived assets

Capital assets subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Government assistance

Government assistance in the form of government grants and subsidies are accrued when earned and when there is also reasonable assurance that they will be realized.

Government grants relating to qualifying expenses are presented as an increase in revenues.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

2. Significant accounting policies (continued)

Documentaries and promotional literature

Costs to produce documentaries and all promotional literature are expensed as incurred.

Financial instruments

Initial measurement

The Museum initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated and exchanged in related party transactions, except for those that involve parties whose sole relationship with the Museum is in the capacity of management, are initially measured at cost.

Subsequent measurement

The Museum subsequently measures all its financial assets and 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 Statement of Operations in the period incurred.

Financial assets and liabilities measured at amortized cost using the straight-line method include cash, grants receivable, sundry receivables, accounts payable and accrued liabilities and loans payable.

Financial assets measured at fair value include short-term investments and investment - Fondation du Grand Montréal.

Impairment

For financial assets measured at cost or amortized cost, the Museum determines whether there are indications of possible impairment. When there are, and the Museum determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in the Statement of Operations. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the Statement of Operations.

Contributed services

The Museum benefits from substantial services in the form of volunteer time. Due to the difficulty in determining their fair value, volunteer services are not recorded in the financial statements.

Federation CJA provides administrative services and office space for the Museum. These services provided by Federation CJA are not recognized as contributed services by the Museum.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

2. Significant accounting policies (continued)

Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

Cash and cash equivalents

The Museum's policy is to present bank balances, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn, under cash.

3. Short-term investments

Short-term investments include both marketable securities and term deposits. Marketable securities consist of funds invested through the Jewish Community Foundation of Montreal's ("JCF") investment funds. One of the JCF funds invests in government and corporate bonds which are fixed-rate instruments and have various terms of maturity. The other JCF fund invests in equity instruments that are quoted in an active market and are subject to fluctuations in fair value. The marketable securities are accounted for at fair market value. The term deposits are invested by the Museum at a rate of 4.3% per annum and mature on April 1, 2024.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

4. Investment - Fondation du Grand Montréal ("FGM")

In 2015, the Museum received a grant from the Mécénat Placements Culture program amounting to \$51,693. This grant was received in relation to contributions raised of \$34,462 in prior years, in conjunction with the Museum's admittance to the Conseil des arts et des lettres du Québec's program, Mécénat Placements Culture. The program matches contributions received in the form of donations from the Museum's capital campaign to the extent of \$250,000 or 150% of contributions collected. These funds raised were entrusted to the Fondation du Grand Montréal ("FGM") and have been invested by the Foundation for a period of 10 years.

The program also requires that \$36,185 of the grant be invested by FGM for a 10 year period. This amount can only be recognized in the Museum's accounts at the end of the 10 year period in 2025. The investment income related to this portion amounting to \$3,120 has been recognized in the statement of operations (Note 10). The fair value of this investment along with the initial contributions of \$34,462 as at March 31, 2023 was \$80,117 (2022, \$84,102).

The program also requires that the balance of the grant amounting to \$15,508 be invested for a 2 year period with FGM. The investment on the statement of financial position also includes the change in the market value of the funds invested. This year's investment income amounting to \$1,737 has been recognized in the statement of operations (Note 10). The fair value of this investment as at March 31, 2023 was \$23,403 (2022, \$23,646).

The Museum is required to comply with ongoing eligibility criteria, which were all met as at March 31, 2023.

MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023

5. Capital assets

	Cost \$	Accumulated amortization \$	Net Book Value 2023 \$
Museum:			
Leasehold improvements	2,199,400	2,171,918	27,482
Exhibits	3,710,693	3,555,360	155,333
Audiovisual equipment	261,958	261,958	-
Buildings	4,589,022	-	4,589,022
Land	8,978,701	-	8,978,701
	19,739,774	5,989,236	13,750,538

Other:

Leasehold improvements	8,063	8,063	-
	19,747,837	5,997,299	13,750,538

	Cost \$	Accumulated amortization \$	Net Book Value 2022 \$
Museum:			
Leasehold improvements	2,199,400	2,061,947	137,453
Exhibits	3,710,693	3,471,856	238,837
Audiovisual equipment	261,958	261,958	-
Buildings	2,512,455	-	2,512,455
Land	8,978,701	-	8,978,701
	17,663,207	5,795,761	11,867,446

Other:

Leasehold improvements	8,063	8,063	-
	17,671,270	5,803,824	11,867,446

The buildings will be amortized once the assets will be in use.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

6. Deferred contributions

The deferred contributions are for museum projects, which are to be completed either within the next year or longer when the related expense will be incurred.

	2023	2022
	\$	\$
Balance, beginning of year	6,642,759	4,348,829
Amount received and deferred during the year	6,974,796	3,071,433
Amount recognized as revenue during the year	(646,790)	(777,503)
Balance, end of year	12,970,765	6,642,759

The funds were received from the following:

	2023	2022
	\$	\$
La Fondation Alexander et Ruth Dworkin	236,273	236,273
Quebec Israel Project	7,000	7,000
President's Circle	26,760	1,000
PAM - Aide aux musées	-	9,856
Virtual Museum of Canada	-	9,827
Various donors - Museum expansion	12,700,732	6,378,803
	12,970,765	6,642,759

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

7. Loans payable

	2023 \$	2022 \$
Loan was fully repaid during the year.	-	58,249
Loan, non-interest bearing, with no payment required until its maturity in December 2023, secured by a second-ranking hypothec on the land and buildings with a net carrying value of \$13,567,723. If certain museum construction project conditions have been achieved by maturity date, the lender shall convert the loan to a donation. (a)	8,000,000	8,000,000
Discount on non-interest bearing long-term debt (a)	(270,531)	(531,914)
	7,729,469	7,526,335
Current portion of loan payable	7,729,469	58,249
	-	7,468,086

Loan payable principle repayment over the next year is the following:

	\$
2024	7,729,469

(a) Since the loan is non-interest bearing, the Museum discounted the financing at fair value. The resulted discount is accounted for as a gain (loss) on present value of non-interest bearing long-term debt in the Statement of Earnings and will be amortized over the life of the debt and accounted for as interest expenses.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

8. Deferred Contributions - Museum, Audio Visual and Oral History

	Audio Visual \$	Oral History \$	2023 \$
Balance, beginning of year	123,775	421,752	545,527
Less: amortization	(1,535)	(82,598)	(84,133)
Balance, end of year	122,240	339,154	461,394

	Audio Visual \$	Oral History \$	2022 \$
Balance, beginning of year	125,310	504,350	629,660
Less: amortization	(1,535)	(82,598)	(84,133)
Balance, end of year	123,775	421,752	545,527

Deferred contributions - audio visual represent grants received from Ministère de la Culture, des Communications et de la Condition Féminine - Soutien aux expositions permanentes for the development and implementation of interactive multimedia guides used to enhance the visitors' experience at the Museum. Costs related to this project have been capitalized and are included in audio visual equipment. Amortization of the deferred contribution balance is calculated on the same basis as the related amortization on the audio visual equipment.

Deferred Contributions Oral History represents grants and donations received from CIC Canada, InterAction, The Azrieli Foundation and from Power Corp to assure the digitisation, perpetual preservation, cataloguing and access and educational use of video testimonies or survivor oral history from collections across Canada. In partnership with the Toronto Neuberger Holocaust Education Centre, an agreement has been signed with the USC Shoah Foundation to undertake digitisation, preservation and cataloguing to enable access to these collections in the future for use in the Museum, educational initiatives and research. Costs related to this project have been capitalized. Amortization of the deferred contribution balance is calculated on the same basis as the related amortization on the exhibits.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

9. Amortization of museum capital assets

Amortization of the museum capital assets comprises the following:

	2023	2022
	\$	\$
Amortization of museum capital assets	193,475	193,807
Less: amortization of deferred contributions (Note 8)	(84,133)	(84,133)
Net amortization for the year	109,342	109,674

10. Investment income

Investment income includes the following:

	2023	2022
	\$	\$
Investment income - marketable securities	106,862	136,518
Investment income - FGM (Note 4)	1,724	4,832
Change in market value - marketable securities	27,828	(81,013)
Change in market value - investment FGM	(1,979)	4,097
	134,435	64,434

11. Donations - special gifts Museum expansion

Donations - special gifts Museum expansion is composed of donations or contributions that are restricted for the specific use to spend on the expansion and construction of the new Museum.

12. Mécénat Musica - Montreal Holocaust Museum Fund

These are donations received by the Museum during the fiscal year ended March 31, 2023 in relation to the Mécénat Musica - Montreal Holocaust Museum Fund with the Jewish Community Foundation. The total amount received of \$1,025,000 (2022, \$500,000) by the Museum was then transferred to the Jewish Community Foundation during the fiscal year ended March 31, 2023, in accordance with the agreement.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

13. Contributed services

The Museum receives free rental of office space from Federation CJA, valued to be \$74,610 (2022, \$78,497) based on the cost per square foot of the total occupied space by the Museum.

In addition, Federation CJA provides administration services for its family of agencies which includes the Museum. The share of these services incurred by Federation on the Organization's behalf was \$49,901 (2022, \$49,370).

The value of these contributed services, as determined by Federation CJA, has not been recognized in the statement of operations.

14. Financial instruments

Risks and concentration

The Museum is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the Museum's risk exposure at the date of the statement of financial position.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Museum is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and loans payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Museum is mainly exposed to interest rate risk and other price risk.

**MONTREAL HOLOCAUST MUSEUM
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

14. Financial instruments (continued)

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 Museum is exposed to interest rate risk on its short-term investments, and investment - FGM invested in fixed-rate instruments.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market. The Museum is exposed to other price risk through its marketable securities and investment - FGM.

15. Future government funding

The following government funding has been confirmed for the Museum expansion:

The Federal budget 2022 proposed to give the Department of Canadian Heritage \$20,000,000 to help finance the construction of the new Museum.

The Government of Quebec authorized the Department of Culture and Communications to grant a financial contribution not exceeding \$20,000,000 to the new Museum.

The City of Montreal will provide a financial contribution to the Museum in the amount of \$1,504,800 within the framework of its renovation and relocation to the new Museum.

16. Comparative figures

Certain figures for 2022 have been reclassified to make their presentation identical to that adopted in 2023.

**MONTREAL HOLOCAUST MUSEUM
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED MARCH 31, 2023**

	General Fund \$	Internally restricted Fund \$	Museum expansion Fund \$	2023 Total \$	2022 Total \$
Appendix A					
Grants					
Alexander and Ruth Dworkin Foundation	50,000	-	-	50,000	50,000
Genocide Exhibit grant - Alexander and Ruth Dworkin Foundation	-	-	-	-	19,460
Government assistance Human Ressource	9,200	-	-	9,200	211,128
Development Canada	35,234	-	-	35,234	33,497
PAM - Aide aux musées	9,856	-	-	9,856	-
Programme Aide au Fonctionnement pour les Institutions Muséales	317,861	-	-	317,861	325,936
Virtual Museum of Canada	9,827	-	-	9,827	9,827
	431,978	-	-	431,978	649,848

Appendix B

Administrative and general					
Amortization of museum capital assets (Note 9)	109,342	-	-	109,342	109,674
Fundraising events	40,871	-	-	40,871	2,828
Membership dues, conferences and meetings	13,353	-	-	13,353	3,958
Office and administrative expenses	108,666	-	-	108,666	109,101
Professional development	1,823	-	-	1,823	7,894
Professional fees	62,611	-	-	62,611	60,967
Salaries and fringe benefits	502,343	-	-	502,343	434,490
Website and communications	8,470	-	-	8,470	1,380
	847,479	-	-	847,479	730,292