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annual report

2011 | 12



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*Tom Foran
Chair, Board of Directors,
The Rooms Corporation of Newfoundland and Labrador*

The Board is pleased to report that the one year indicators for 2011-12 have all been achieved.



A MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS

On behalf of the Board of Directors, I am pleased to present the 2011-12 Annual Report of The Rooms Corporation of Newfoundland and Labrador. This annual report presents outcomes for the first year of The Rooms Strategic Plan 2011-14, the second of The Rooms three-year strategic plans. The Board is pleased to report that the one year indicators for 2011-12 have all been achieved.

As stated in The Rooms Act, section 4, the objects of the corporation are to:

- a) Collect, preserve, present and make available for research the historic artifacts, natural history specimens and archival records that represent and illustrate the significant history, culture and natural heritage of the province;*
- b) Conduct research with respect to the history, natural history, culture and heritage of the province for the purposes of paragraph (a);*
- c) Collect and present provincial, national and international contemporary and historic art;*
- d) Advance and promote the works of contemporary visual artists of the province;*
- e) Support the development of cultural industries in the province;*
- f) Strengthen the culture of the province; and*
- g) Provide and enhance client services and partnerships to promote the cultural collections of the province and to show other national and international collections.*

The 2011-12 Annual Report includes the Outcomes of Objectives section which details The Rooms progress in achieving previously identified goals and objectives set for the 2011-12 fiscal year. These goals and objectives are based on the four Priorities and Goals identified in The Rooms Strategic Plan 2011-14. These include:

- Enhanced Cultural Facilities*
- Improved Access*
- Improved Community Engagement*
- Expanded Risk Management*

The 2011-12 Annual Report is submitted in accordance with government's commitment to accountability. It has been reviewed and approved by the Board of Directors which is accountable for The Rooms Corporation's actual results reported from April 1, 2011 to March 31, 2012.



Tom Foran
Chair, Board of Directors,
The Rooms Corporation of Newfoundland and Labrador

OVERVIEW of the CORPORATION

A – Vision

The Rooms Corporation is an innovative, culturally relevant institution that represents and showcases Newfoundland and Labrador to itself and to the world, and brings the wider world to its doorstep.

B – Mission Statement

The Board of Directors believes that as a public institution The Rooms Corporation must provide great value to all Newfoundlanders and Labradorians. The care, exhibition, and access to the priceless artifacts, artworks and documents belonging to the people of the Province; outreach beyond St. John's; and, the focus on educational programming to deepen the pride and identity of all Newfoundlanders and Labradorians, together form the foundation of The Rooms Corporation's Mission Statement.

By March 31, 2017, The Rooms will have further engaged the public through thought-provoking exhibits and programs which will reflect the interests, aspirations and concerns of the people of our Province.

Measure:

The public has been further engaged

Mission Indicators:

- Community consultation is carried out to discover the most appropriate ways to attract and engage visitors
- Guidelines and criteria are developed to guide the institution in the strategic development of programs and exhibitions which are socially and culturally relevant
- Programs and exhibits are designed and delivered incorporating creative ways of engaging the public in socially relevant issues
- Appropriate evaluation methods for exhibitions and programming are developed and implemented to determine their degree of social and cultural relevance
- Enhanced regional programming

This mission statement identifies the priority areas of the Board of Directors over the planning cycle ending March 31, 2017. It represents the key longer-term results that the Board, management and staff will be seeking to achieve as The Rooms Corporation implements its Strategic Plan 2011-2014. The statement also identifies the measure and indicators that will assist the Corporation, Government, and public in monitoring and evaluating its success. This mission statement also supports the strategic directions of the Minister for the Department of Tourism, Culture and Recreation including (as detailed in Appendix 2):

- Preserve and Safeguard Tangible and Intangible Heritage
- Strengthen Cultural Sector Partnership and Support

C – Lines of Business

The Rooms counts The Rooms Provincial Archives, Art Gallery and Museum among its divisions, all of which are responsible for collections development, collections management and programming in their respective disciplines. While these divisions develop their own programs from year to year, The Rooms also undertakes the development of multi-disciplinary public and education programs which draw their content from all three of these programming divisions.

- The Rooms acquires, preserves, presents and makes available for research the historic artifacts, natural history specimens and archival records that represent and illustrate the significant history, culture and natural heritage of the Province.
- The Rooms collects and presents provincial, national and international contemporary and historic art; is the Province's steward of archival records and a co-facilitator of Information Management initiatives, and serves to inform, present and interpret the Province's history.
- The Rooms is an important education and outreach vehicle, aiming to provide access to its collections through education programs, traveling exhibits, Regional Museums, virtual access, workshops, and residency programs.

Gift Shop Sales for 2011-12 were \$233,130, an increase in sales of approximately 33% or \$57,535. Gift Shop Sales for 2010-11 were \$175,595.

- The Rooms is responsible for collections security, research, maintenance and preservation to safeguard the provincial memory, history and culture.
- The Rooms provides support to professional constituencies in the archival, visual arts and museum fields.

D – Number of Employees

The Rooms has a total of 79 full-time employees in its organizational structure. Included are seven full-time seasonal employees and one full-time year-round employee who operate the four regional museums: the Mary March Provincial Museum (MMPM) (two full-time seasonal employees), Loggers' Life Provincial Museum (LLPM) (two full-time seasonal employees), Provincial Seamen's Museum (PSM) (two full-time seasonal employees) and the Labrador Interpretation Centre (LIC) (one full-time employee). There are also 20 part-time employees who perform various duties in general areas of The Rooms including the Archives reference desk, and at the four Regional Museums. The Rooms also has one full-time and one part-time contractual staff that deliver the Chevron Open Minds at The Rooms program, for which funding is provided on a three-year basis from Chevron Canada.

E – Physical Location

The Rooms is located in St. John's, with regional facilities located in Grand Falls-Windsor (Mary March Provincial Museum and Loggers' Life), Grand Bank (Provincial Seamen's Museum) and North West River (Labrador Interpretation Centre).

F – Other Key Statistics

Visitation at The Rooms

The Rooms had a total of 75,739 visits in 2011-12, versus 76,015 during 2010-11. From April 1st, 2011 until March 31st, 2012, 902 new annual memberships were purchased.

Beyond the many exhibits and programs offered by the Archives, Art Gallery, and Museum Divisions during the year, the programs of the Education and Public Programming Unit have continued to drive visitation at The Rooms. These programs are built around Newfoundland and Labrador themes and topics, as well as special events such as Christmas, Remembrance Day, Earth Day etc. Consequently, they have an appeal and relevance for thousands of residents and visitors who may not have had a prior interest in contemporary and historic art, heritage, or archival research. During 2011-12, the public programming visitation was up by approximately 1,819 participants, an increase of 37 % from 2010-11.

The Rooms Gift Shop

Gift Shop Sales for 2011-12 were \$233,130, an increase in sales of approximately 33% or \$57,535. Gift Shop Sales for 2010-11 were \$175,595.

SHARED COMMITMENTS

Department of Tourism, Culture and Recreation

The Rooms carries out its mandate in association with various parties including funding agencies, government departments and professional associations. During 2011-12, The Rooms worked in association with:

Department of Tourism, Culture and Recreation:
As a Category 1 Crown Corporation of the Government of Newfoundland and Labrador, The Rooms Corporation is accountable to the Minister of Tourism, Culture and Recreation, through The Rooms Corporation Board of Directors. Core operating funding from The Department of Tourism, Culture and Recreation sustains the operations of The Rooms each year. Through its annual work plans, programs and services, The Rooms Corporation supports the Minister's Strategic Directions including:

- Preserving and safeguarding tangible and intangible heritage
- Strengthening cultural sector partnership and support
- Strengthening public-private partnership in tourism

The Rooms Corporation also works closely with the Department of Tourism, Culture and Recreation on a number of shared commitments including the Art Bank program of the Government of Newfoundland and Labrador and the project management of the development of the Colonial Building Exhibition project.

Department of Education, K-12, Cultural Connections Program

The Department of Education and the Department of Tourism, Culture and Recreation joined together to develop a provincial fine arts and cultural strategy for K-12 education in Newfoundland and Labrador - Cultural Connections. This initiative aims to increase the presence of cultural content in the school curriculum and foster links between the arts and school communities. Through this program, The Rooms has worked closely with the Department of Education on the development of curriculum linked projects for delivery at The Rooms. A member of

The Rooms Education and Public Programming Unit sits on the Cultural Connections Committee and the Newfoundland and Labrador Heritage Fairs Advisory Committee to assist with the delivery of heritage based projects. The Rooms also provides education programs based on its changing exhibits which are linked to the social studies, visual art, language art curriculum and assist with teaching and learning outcomes. For example, during 2011-12 an education program based on the Junkosphere exhibition (an exhibition which explored themes of consumption, recycling and environmentalism) which animated the themes explored in school curriculum.

During 2011-12, The Rooms assisted with coordination and delivery of the Sharing Our Cultures program. Sharing Our Cultures is a unique educational and multicultural fair that engages newcomer high school students from diverse cultural backgrounds to present aspects of their culture at a public forum held at The Rooms in March. During the two days of the school program, over 1200 Grade 6 students interacted with newcomer youth and to participate in activities designed to complement their Grade 6 Social Studies curriculum.

Department of Environment and Conservation, Natural Heritage Branch – Wildlife, and Parks and Natural Areas Divisions:

The Department of Environment and Conservation's Wildlife Division is responsible for managing and conserving Newfoundland and Labrador's biodiversity and wildlife resources for the benefit of present and future generations, while its Parks and Natural Areas Division is the provincial body responsible for the creation and maintenance of a network of "protected areas" to help ensure the survival of the province's natural heritage. The Rooms Provincial Museum Division and the Natural Heritage Branch hence share a commitment towards the study and preservation of biodiversity. The divisions collaborate regularly on the documentation and interpretation of the natural heritage of the province.

Department of Natural Resources, Mines Branch – Geological Survey Division

The Geological Survey Division is responsible for the collection, storage and publication of geoscience data through field surveys and from industry assessment reports. It also sees to the promotion of the province's mineral potential to the exploration and mining industries. A memorandum of agreement between The Rooms Provincial Museum Division and the Geological Survey Division provides a cooperative framework for the storage and curation of, and public access to, paleontological material collected by the Province.

Department of Canadian Heritage

Canadian Heritage is responsible for national policies and programs that promote Canadian content, foster cultural participation, active citizenship and participation in Canada's civic life, and strengthen connections among Canadians.

During 2011-12, The Rooms Provincial Archives Division received funds via the Canadian Heritage Young Canada Works in Heritage Institutions program to hire a researcher to assist with records description.

Canada Council for the Arts

The Canada Council for the Arts, reporting to Parliament through the Minister of Canadian Heritage, is a national arm's-length agency which fosters the development of the arts in Canada through grants, services and awards to professional Canadian artists and arts organizations, as well as administering scholarly awards.

Library and Archives Canada, National Archival Development Program

In 2011-2012, The Rooms Provincial Archives received \$24,656 from the National Archival Development Program, as administered by the Canadian Council of Archives and funded by Library and Archives Canada. This funding was used to undertake a preservation scanning and descriptive project involving a large collection of nitrate negatives.

Toronto Dominion Bank Scholar Program

In 2011-2012, The Rooms Provincial Archives partnered with the Toronto Dominion Canada Trust Summer Employment Program to receive approximately \$7000 in funding to hire a post-secondary student on a summer-long work term. The student hired, Mr. Anthony Maher is a Rhodes Scholar from Newfoundland and Labrador and was engaged in a variety of archival projects ranging from reference to description during his work term in summer 2011.



37% increase in participation
in curriculum linked school
programs at The Rooms.

HIGHLIGHTS & ACCOMPLISHMENTS



HIGHLIGHTS & ACCOMPLISHMENTS

The following is a summary of the Highlights & Accomplishments of The Rooms which have taken place in the past year. This list is in no way exhaustive or limited to those outlined here.

- 29% increase in gift shop sales during 2011-12
- 37% increase in participation in curriculum linked school programs at The Rooms, a total of 10,200 students during the school year. It is felt that the Education and Public Programming Division of The Rooms has solidified its relationship with schools and teachers through the quality of the programs offered. In addition, the no-fee participation for schools completing a school program removes the cost barrier which can be a factor for some schools.
- A successful proposal to BMO Financial Group provided The Rooms \$250,000 over three years to support The Rooms Education and Outreach activities. These funds will assist with the development/repurposing of curriculum linked school programs for its regional sites as well as transportation assistance for schools to visit either The Rooms or one of its Regional Museums.
- The Rooms Provincial Archives Reference Room responded to over 10,000 research inquiries received via in-person visits, email, postal mail, etc. These were received from 7513 individual on-site and distance researchers and the Archives also registered 936 new researchers from across the province, country and 17 other countries worldwide.
- Hosted the 3rd annual Mummings Parade concert with over 500 participants
- In partnership with the Royal Newfoundland Regiment Advisory Board, The Rooms hosted a series of sold-out public lectures, presentations, and workshops on battlefield archaeology and the First World War with British historians and television personalities Mr. Andrew Robertshaw and Dr. David Kenyon.
- June 29, 2011 The Rooms officially re-opened the Provincial Seamen's Museum in Grand Bank following four years of planning and construction work. The project saw the expansion of the permanent exhibition galleries by 40% to a total of 8,100 sq. ft; the upgrade of the temporary exhibition gallery with new electrical capacity and lighting system; the installation of a fire suppression system to ensure the safety of the public and collections; the upgrade of access with the installation of a chair lift and an accessible washroom; and, compliance with current safety codes by increasing the height of all stairway and mezzanine hand rails.

- With completion of the Provincial Seamen's Museum capital upgrade work, The Rooms was able to realize the full implementation of its Travelling Exhibitions Program to the Regional Museums. The Mary March Provincial Museum in Grand Falls-Windsor, the Labrador Interpretation Centre in North West River and the Provincial Seamen's Museum each presented a temporary exhibition, received from The Rooms, during its operating season.
- During 2011-12, The Rooms engaged its stakeholder community in new and exciting ways. An integral component of the development of two new exhibitions in The Husky Energy Gallery and the Elinor Gill Ratcliffe Gallery is the involvement of the communities for which the exhibitions represent. To ensure ongoing counsel and advice, two levels of involvement were put in place. First, the aboriginal communities were invited to appoint a representative from each of their groups to act as guest curators and members of the project management team. This is a new level of involvement by the Province's aboriginal communities in the telling of the people's shared history. In addition, an external advisory committee, comprised of representatives of The Rooms stakeholder community, was appointed to provide advice on content development and exhibition design. This committee, The Rooms Level 4 Exhibition Project External Advisory Committee is responsible for reviewing and providing feedback on conceptual exhibition plans and designs for the Husky Energy Gallery and the Elinor Gill Ratcliffe Gallery; providing community links relevant to the subject matter of the exhibitions; and, assisting The Rooms with public feedback and awareness activities about the project.
- The Rooms Provincial Art Gallery received a significant donation for its collections from the estate of Edwin R. Procnier. The gallery received approximately 180 pieces including a Group of Seven.

During 2011-12, the public programming visitation was up by approximately 1,819 participants, an increase of 37 % from 2010-11.

OUTCOMES of OBJECTIVES



Priority I

Enhanced Cultural Facilities

The Rooms and its Regional Museums are custodians of the province's collections which tell the story of Newfoundland and Labrador through archival records, art and artifacts. Site improvement projects for The Rooms and its Regional Museums have increased public access, augmented the capacity to exhibit collections and have improved the quality of programming related to these collections.

The Rooms Strategic Plan Priority I is consistent with the Minister of Tourism, Culture and Recreation's Strategic Direction I to *Preserve and Safeguard Tangible and Intangible Heritage* in order to *maximize their impact on sustainable tourism and community development*.

2011-14

GOAL:

By March 31, 2014, The Rooms Corporation will have enhanced its infrastructure and program capacity to broaden the cultural experience of visitors.

MEASURE:

Enhanced infrastructure and program capacity

INDICATORS:

- Level IV exhibit is opened to the public
- Site Development Plan and Phased Implementation Strategy completed
- Regional Museum programming is enhanced

2011-12

OBJECTIVE:

1. By March 31, 2012, The Rooms Corporation will have initiated site improvement projects in order to improve its cultural infrastructure and program capacity.

MEASURE:

Initiated site improvement projects

INDICATORS:

- Contract for Exhibit Design and Build awarded and design work begun for the *Husky Energy Gallery* and the *Elinor Gill Ratcliffe Gallery*
- Consultant hired and work started on a detailed Site Development Plan and Phased Implementation Strategy
- Permanent Open Storage Exhibit opened at the Provincial Seamen's Museum
- Standard exhibit infrastructure fabricated for Regional Museums to facilitate travelling exhibits



RESULTS AND BENEFITS:

The 2012 objective to have initiated site improvement projects in order to improve The Rooms cultural infrastructure and program capacity was achieved through the following efforts:

- During 2011-12, The Rooms distributed an international Request for Proposals seeking the services of an Exhibition Design and Fabrication firm to assist with the development of two exhibitions planned for the *Husky Energy Gallery* and the *Elinor Gill Ratcliffe Gallery*. After an extensive and thorough evaluation process, a \$2.2 M contract was awarded to Origin Studios of Ottawa and Holman Exhibits of Toronto for the Interpretive Planning, Design, Fabrication and Installation of the *Cultural Tapestry* Exhibition in the *Husky Energy Gallery* and the *Social History* Exhibition in the *Elinor Gill Ratcliffe Gallery*.

Work between The Rooms project management team, Origin Studios and Holman Exhibits commenced upon awarding of the contract. The Rooms received a draft design concept for both exhibitions in January 2012 with the final design document expected in June, 2012. The overall Design Concept and Interpretive Plan for the *Husky Energy Gallery* and the *Elinor Gill Ratcliffe Gallery* were approved by the Board of Directors in February 2012.

- During 2011-12 The Rooms, with input from its Site Advisory Committee, hired the Grand Concourse Authority (GCA) as external consultants to develop the Site Development Plan and Phased Implementation Strategy. GCA is a local non-profit, charitable organization skilled in the preparation of parks and public spaces master plans. With its assistance The Rooms was able to not only start the Site Development Plan but also successfully completed the plan in January 2012. It was then presented to the Board of Directors in February 2012 where it was unanimously approved. The Site Development Plan includes architectural and landscape drawings and 3D renderings for the development and public use of the grounds of The Rooms. The GCA also provided a three-year Phased Implementation Plan to guide The Rooms in bringing this plan to fruition.
- On June 29th, 2011, The Rooms opened the permanent open storage exhibition titled *Living the Life: Objects of Identity* at the Provincial Seamen's Museum in Grand Bank. Artifacts contained in this exhibition were previously stored at an off-site storage facility on Mews Place in St. John's, NL. As of June 30, 2011, the museum vacated this site and the majority of the collections

were moved to Grand Bank in preparation for display. This new exhibition in Grand Bank increases the public's access to the Province's collections and was the culmination of several years work to conserve, research and prepare the collections for display.

- To facilitate an effective and efficient traveling exhibitions program, standard exhibit infrastructure was required for the Regional Museums. The technical services unit of The Rooms was engaged to recommend and source the necessary components. During 2011-12, the team undertook the following:
 - provided a set of 16 moveable exhibition walls to the Provincial Seamen's Museum
 - provided a set of 8 exhibit cases and artifact plinths, and an 8-panel moveable exhibition wall system to the Labrador Interpretation Centre

2012-13

OBJECTIVE:

2. By March 31, 2013, The Rooms Corporation will have further improved its cultural infrastructure.

MEASURE:

Implemented site improvement projects

INDICATORS:

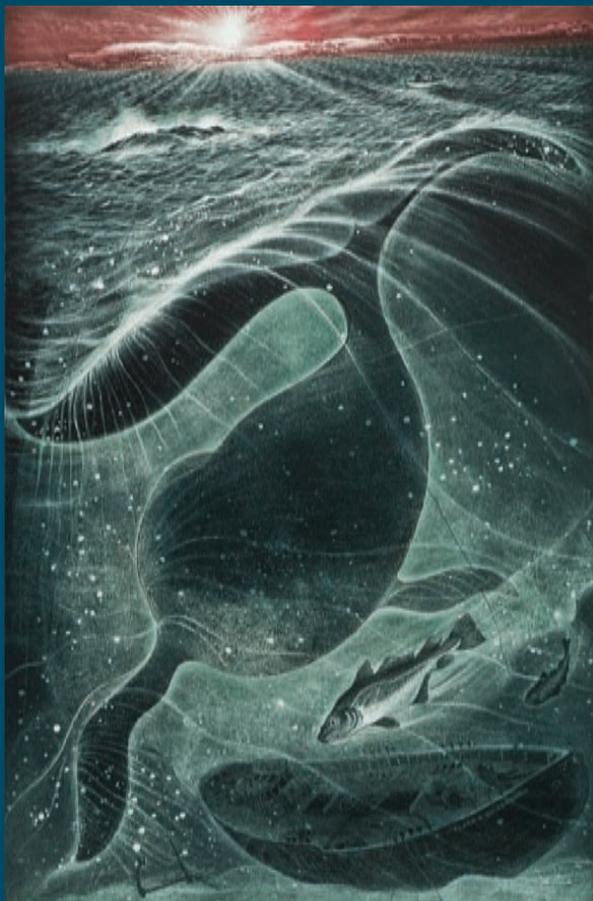
- Details of the Design Concept and Interpretive Plan for the *Husky Energy Gallery* and the *Elinor Gill Ratcliffe Gallery* have been finalized and construction substantially completed.
- Work to further define elements of the Site Development Plan and Phased Implementation Strategy has been completed.
- One exhibition from each of The Rooms programming divisions (archives, art gallery and museum) has been circulated to the Regional Museums.
- Options for development of Level 0 which included archaeological remains of Fort Townshend have been explored.

Priority 2

Improved Access

To further engage the public it is necessary for The Rooms Corporation (including its Regional Museums) to improve outreach to the communities of the Province and access to the collections. The Rooms Corporation must incorporate more opportunities for the public to access its collections within the institutions and virtually through the use of its website. Dedicated galleries were refreshed annually to allow for circulation of the public collections, expanded gallery space enabled more of its collections to be exhibited and a comprehensive plan to increase The Rooms web presence was developed.

The Rooms Strategic Plan Priority 2 is consistent with the Minister of Tourism, Culture and Recreation's Strategic Direction 1 to *Preserve and Safeguard Tangible and Intangible Heritage in order to maximize their impact on sustainable tourism and community development*.



2011-14

GOAL:

By March 31, 2014, The Rooms Corporation will have improved access to collections.

MEASURE:

Improved access to collections

INDICATORS:

- 5,000 square feet of new permanent collections-based exhibit space developed
- 15,000 new collections records made available on-line
- *Inner Works* permanent collection exhibition refreshed annually
- Developed a comprehensive plan to increase The Rooms web presence

2011-12

OBJECTIVE:

1. By March 31, 2012, The Rooms Corporation will have identified and/or made available new items from the archives, art gallery and museum collections.

MEASURE:

Identified and made publicly available new items from the collections

INDICATORS:

- Artifacts identified for inclusion in the 5,000 sq .ft museum exhibit
- 5,000 new archival collections records available on-line
- *Inner Works* exhibition refreshed
- Assessment of current web presence completed

RESULTS AND BENEFITS:

- The collections of The Rooms Provincial Museum, Archives and Art Gallery Divisions were reviewed to inventory the artifacts and identify those appropriate to support the interpretive themes of the two new permanent exhibitions under development. Approximately 2,000 objects including artifacts, archival material and art work have been selected for inclusion in the *Husky Energy* and *Elinor Gill Ratcliffe Galleries*.
- During 2011-12, 6194 archival records were made available to the public. This work involved the selection, arrangement, description, scanning and data entry of information pertaining to 6194 archival records now available via The Rooms website. These records include material from a wide variety of government and non-government records collections, including many photographs from the Archives' collections which were previously available. Wherever possible, digitized scans of the records were provided on-line along with the descriptive entries to better assist archives researchers with accessing new collections and information in a virtual environment.
- To ensure ongoing public access to the Province's art collection, the *Inner Works* exhibition was refreshed during 2011-12 with new content including works by artists such as Lawren Harris and Robert Pilot. After an extended loan to Rideau Hall, Ottawa, Jean Paul Riopelle's *Composition* returned to Newfoundland and Labrador and was placed on public display. In addition, a number of public programs were developed to animate the exhibition, including a continuing lecture series.
- During 2011-12, an external consultant, Professor Lyle Wetsch of Memorial University's Faculty of Business who is skilled in web analytics, was engaged to provide a review and report outlining areas of concern for www.therooms.ca and non-compliance to Web 2.0 standards and operating procedures. In addition, The Rooms Marketing and Development division completed a thorough Google Analytics review of its website to determine traffic patterns for the site. This analysis will provide the ground work for determine how best to improve web usage and options for future enhancements.

2012-13

OBJECTIVE:

2. By March 31, 2013, The Rooms Corporation will have implemented additional improvements to enhance access.

MEASURE:

Additional items from the collections identified and made publicly available

INDICATORS:

- More than 5,000 archival collections records have been made available on-line, bringing the total to 10,000 records available.
- Inner works exhibition was refreshed to highlight different examples of artwork from the Province's collections.
- A new acquisitions exhibition was planned and developed for presentation during Summer 2013.
- Artifacts identified for inclusion in the *Husky Energy* and *Elinor Ratcliffe Galleries* have been conserved in preparation for opening Summer 2013.
- Options and budget implications for enhancing The Rooms web presence have been explored.

Priority 3

Improved Community Engagement

To achieve its Vision as an innovative, culturally relevant institution, it is important for The Rooms to continue improving how it engages the community. As a publicly-funded cultural institution, The Rooms must remain relevant to the community it serves. In an effort to further attract and engage the public, The Rooms Corporation consulted with the greater community and developed an evaluation process to better understand what is of interest to the public and how to reflect this in its exhibitions and public programming.

The Rooms Strategic Plan Priority 3 is again consistent with the Minister of Tourism, Culture and Recreation's Strategic Direction 1 to *Preserve and Safeguard Tangible and Intangible Heritage*. More specifically, Priority 3 relates to the Focus Area of the Strategic Directions to *further enhance the strategic cultural plan and its ten key directions*.

2011-14

GOAL:

By March 31, 2014, The Rooms Corporation will have improved community engagement.

MEASURE:

Improved community engagement

INDICATORS:

- An Advisory Committee for the *Husky Energy Gallery* and the *Elinor Gill Ratcliffe Gallery* established and provided counsel throughout the exhibition development process
- Community Consultation for the *Elinor Gill Ratcliffe Gallery* exhibition content completed
- Developed a program and services evaluation process
- Developed education and/or public programs to be delivered in conjunction with Regional Museums Traveling Exhibitions
- Created opportunities to understand and engage new audiences

2011-12

OBJECTIVE:

1. By March 31, 2012, The Rooms Corporation will have initiated community consultations and evaluation mechanisms in order to improve community engagement.

MEASURE:

Initiated Community Consultation and Evaluation Mechanisms

INDICATORS:

- Advisory Committee appointed
- Community Consultation for the *Elinor Gill Ratcliffe* exhibition completed
- Evaluation mechanisms reviewed for effectiveness
- Piloted one new education and/or public program for the Regional Museums Traveling Exhibitions
- Identified under-represented audiences



RESULTS AND BENEFITS:

- The aboriginal communities represented in the new exhibition created for the *Husky Energy Gallery*, have been invited to appoint representatives from each of their groups to act as guest curators.

They include:

- Innu Nation representative: Peter Armitage
- Nunatsiavut Government Representative: Valeri Pilgrim
- Mi'kmaq Representative: John Jeddore
- NunatuKavut Community Council Representative: Greg Mitchell

In addition, an external advisory committee, comprised of representatives of The Rooms stakeholder community, was appointed to provide advice on content development and exhibition design. This committee, The Rooms Level 4 Exhibition Project External Advisory Committee, acts in an ad hoc manner and is external to the Board of Directors and is responsible for:

- Reviewing and providing feedback on conceptual exhibition plans and designs for the *Husky Energy Gallery* and the *Elinor Gill Ratcliffe Gallery*.
- Providing community links relevant to the subject matter of the exhibitions.
- Assisting The Rooms with public feedback and awareness activities about the project.

Representatives of the committee include:

- Joan Ritcey, Centre for Nfld. Studies, Chair
 - Barbara Bartlett, Education Consultant
 - Dale Jarvis, Heritage Foundation of NL
 - Martha MacDonald, MUN Labrador Institute
 - Susan Patten, A. Harvey Group of Companies
 - Philip Pratt, PHB Group
 - Jeremy Roop, Parks Canada
 - Dr. Jeff Webb, Department of History, MUN
- During 2010-11, community consultation for the *Elinor Gill Ratcliffe Gallery* began. This involved a province-wide solicitation for themes for inclusion in the *Social History of Newfoundland and Labrador* exhibition to be housed in the *Elinor Gill Ratcliffe Gallery*. During 2011-12, the multi-year community consultation was completed with the installation of the exhibition *Working on History, Watching Our Stories Unfold* in the Level 2 Museum Gallery. This behind-the-scenes/testing style exhibition included several stations

where artifacts and interpretive information were put on display, in order for the public to weigh-in and provide feedback on artifact selection and story prioritization. In addition, The Rooms Provincial Museum Collections Managers and Conservators worked inside the gallery allowing for direct contact/communication with visitors. This mechanism was extremely effective from a qualitative analysis perspective enabling regular input and feedback, resulting in augmented artifact descriptions and assistance with artifact selection.

- In order to better engage the community, The Rooms regularly seeks input regarding its exhibitions and programs. As a first step an inventory of evaluation mechanisms currently in place was completed. During 2011-12 the following evaluation mechanisms were undertaken:
 - To assist in the selection of artifacts for inclusion in the *Social History of Newfoundland and Labrador* exhibition, housed in the *Elinor Gill Ratcliffe Gallery*, the exhibition *Working on History, Watching our Stories Unfold*, was installed in the Level 2 Museum Gallery Space. This exhibition included several stations where members of the public were encouraged to give feedback on artifact selection. In addition, The Rooms Provincial Museum collections managers and conservators, worked within the gallery allowing for direct contact/communication with visitors. This mechanism was extremely effective from a qualitative analysis perspective enabling regular input and feedback, resulting in augmented artifact descriptions and assistance with artifact selection.
 - In February 2012 an Open House was held within the Level 4 Gallery space allowing the public a first peak at the proposed designs for both the *Husky Energy Gallery* and the *Elinor Gill Ratcliffe Gallery*. Over three hundred members of the public attended this event, many submitting evaluation forms on the new designs.
 - During the 2011-12 programming season weekly e-newsletters were distributed via email allowing for regular feedback and communication with members.

Implementation of these evaluation mechanisms involves the oversight and involvement of The Rooms Marketing and Development Division. Upon completion Marketing staff met with divisional representatives to review not only the feedback obtained but also the effectiveness of the evaluation technique e.g. the number of completed forms; overall completion of forms; the level of feedback etc. The information obtained will serve future evaluation exercises.

- The Rooms Education and Public Programming Division piloted the sharing of curriculum, programming materials and training with the staff of the Mary March Provincial Museum during 2011-12. This allowed for the delivery of education and youth programming in association with the traveling exhibition *Cupids 1610: Here to Stay* which will continue throughout the 2012 season.
- Given that The Rooms seeks to engage new members of the community it consulted with the Department of Advanced Education Skills, Office of Immigration and Multiculturalism to gain a better understanding of the backgrounds of new and growing populations to the Province. Through this process The Rooms hosted the *Sharing Our Cultures Program* allowing its Education and Public Programming Unit to strengthen their relationship and knowledge of these under-represented audiences.

2012-13

OBJECTIVE:

2. By March 31, 2013, The Rooms Corporation will have further implemented community engagement initiatives.

MEASURE:

Expand community engagement opportunities and initiatives

INDICATORS:

- Advisory Committees for the *Husky Energy Gallery* and *Elinor Gill Ratcliffe Gallery* have met on two occasions to provide ongoing counsel for the development of the exhibitions.
- Options for ongoing community consultation opportunities for the *Husky Energy Gallery* and the *Elinor Gill Ratcliffe Gallery* have been identified.
- A plan for acquiring visitor feedback regarding core services has been developed.
- A sponsorship to assist with the development and implementation of dedicated education and public programming for The Rooms Regional Museums Travelling Exhibitions has been secured.
- A public program aimed at attracting the 18-30 demographic has been developed.

Origin Studios
proposed concept
for the Husky
Energy Gallery
and the Elinor Gill
Ratcliffe Gallery

origin studios





Elinor Gill Ratcliffe Gallery

Husky Energy Gallery

ELINOR GILL
RATCLIFFE
GALLERY

Priority 4

Expanded Risk Management

In order to engage the public in more meaningful ways, The Rooms must ensure that its collections are managed and cared for so that they are accessible and available for display to the public. To do so, policies and protocols regarding care, maintenance, and safe-guarding are critical in The Rooms ability to fully utilize its collections. As such, The Rooms reviewed its existing practices, identified and appropriately managed risks to the collections which could in turn impact upon preservation and public display.

The priority of Expanded Risk Management is also in keeping with the Minister of Tourism, Culture and Recreation's Strategic Direction to *further enhance the strategic cultural plan and its ten directions*. Direction number six of the strategic cultural plan is *preserving and celebrating our tangible cultural heritage* which further states that *it is a given that we must preserve and celebrate these invaluable treasures*. Appropriate risk management is a must for appropriate preservation of the collections for which The Rooms is custodian.



2011-14

GOAL:

By March 31, 2014, The Rooms Corporation will have expanded its capacity for risk management.

MEASURE:

Expanded capacity for risk management

INDICATORS:

- Disaster plan developed and implemented
- Security plan reviewed, updated and operationalized
- Evacuation plan reviewed, updated and operationalized
- Additional areas of risk management identified for future action

2011-12

OBJECTIVE:

1. By March 31, 2012, The Rooms Corporation will have reviewed and assessed the policies and protocols in place to manage risk to its collections and operations

MEASURE:

Reviewed and assessed risk management policies and protocols

INDICATORS:

- Rooms-wide Risk Management Committee formed
- Reviewed existing documentation and develop template for collections disaster plan
- Reviewed existing Security Plan and identify areas and gaps requiring updates
- Reviewed existing Evacuation Plan and identify areas and gaps requiring updates

RESULTS AND BENEFITS:

- In November 2011, The Rooms Management Committee convened a Risk Management Committee comprised of representatives from all functional areas of the Corporation, as well as a representative from BLJC, The Rooms Facilities Management contractor which assists with much of the buildings operations. A Terms of Reference was established and shared with the Committee.
- As a first step in this process, The Rooms Risk Management Committee undertook a review of functional requirements for The Rooms and Regional Museums regarding Collections Disaster procedures currently in place, and researched existing international models for Collections Disaster Plans. Based on this analysis and research, the Committee recommended the use of a free on-line disaster planning template prepared through the Northeast Document Conservation Centre (NEDCC) and the Massachusetts Board of Library Commissioners (MBLC). The Risk Management Committee identified this template (dPlan) which already existed in the academic community for institutional sharing, as meeting the requirements of The Rooms for its Collections Disaster Planning. The template, dPlan was recommended and approved for use within The Rooms as research indicated it had been well researched, widely used and regarded as effective for use in the academic community. Work has since been initiated for completion of the disaster planning template through 2012-13.
- A Security Plan regarding policies and procedures has been in place at The Rooms for several years; however, The Rooms asked BLJC (its external facilities management contractor responsible for security personnel and ensuring adherence to the policies) to take an in-depth review of the Security Plan and make recommendations for updates/upgrades. All members of The Rooms Management Committee also reviewed the Security Plan in an attempt to identify gaps which might not have been addressed in the previous plan. Recommendations were made for efficiencies and improvements with some acted upon i.e. the Café fire suppression backplash upgraded with newly accessible fire retardant materials. Additional recommendations to improve efficiencies have been identified and will be acted upon in the coming fiscal year.
- An Evacuation Plan outlining evacuation procedures, identification of fire wardens, and responsibilities of particular staff has been in place since The Rooms opening. During 2011-12, The Rooms Management Committee, in consultation with its building management company BLJC, reviewed the existing evacuation plan. As part of this process, the local Fire Chiefs and Inspectors completed an on-site inspection to ensure adherence to fire regulations. Recommendations were made including the movement of storage outside the Café on level 4; installing panic bars on additional doors; and, conducting a

surprise fire drill, during opening hours, with the local fire department on-site for observation. All recommendations were acted upon and completed. Also, upgrades to the Café's fire suppression backplash were made on the advice of BLJC as newer and effective materials have since been made available.

2012-13**OBJECTIVE:**

2. By March 31, 2013, The Rooms Corporation will have researched and drafted key components of risk management.

MEASURE:

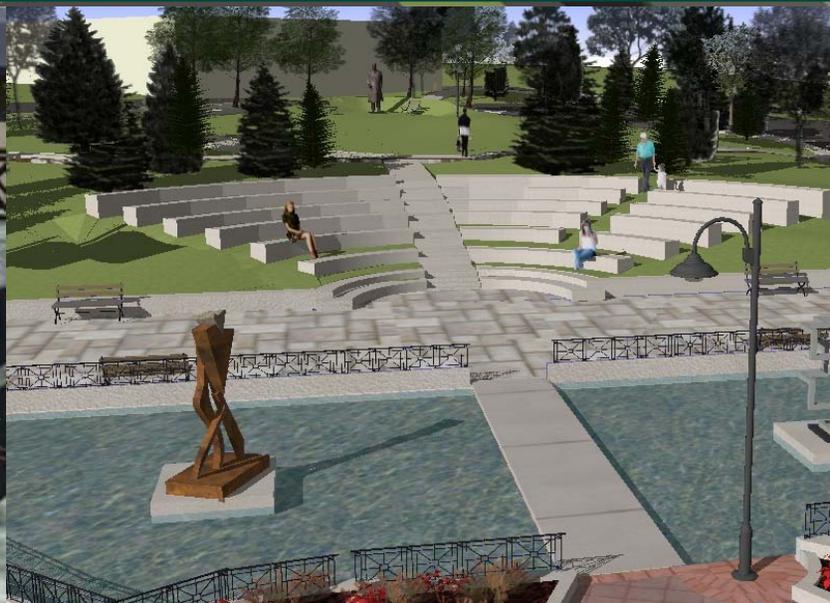
Drafted key components of risk management

INDICATORS:

- A draft collections disaster plan has been researched and prepared.
- An updated Security Plan has been drafted.
- An updated Evacuation Plan has been drafted.
- Additional areas of risk management have been investigated and identified and a comprehensive risk management framework for The Rooms has been completed.



Concept Designs for
The Rooms Site Development Plan



OPPORTUNITIES and CHALLENGES AHEAD

THE ROOMS SITE DEVELOPMENT

During the next 3-5 years, The Rooms intends to develop its grounds for public use and as a means of presenting the archaeologically significant site. In 2011-12 The Rooms Board of Directors approved the Site Development Plan which includes new ways to engage our visitors on the grounds, bringing new interpretation to the historic components of the site, and more ways to engage visitors on its grounds. These new opportunities present exciting programming possibilities; however, external sources of funding will be required in order to bring these ideas to fruition.

LEVEL 0 DEVELOPMENT

The Rooms site itself is of deep historical significance. Almost 250 years before The Rooms rose on the landscape, this was the site of Fort Townshend. The great star-shaped citadel, one of the largest British fortifications in North America at the time, was built to defend Britain's fishing interests. With the withdrawal of the imperial garrison in 1870, the site became the home of the Royal Newfoundland Constabulary and, later, the St. John's Fire Department.

During the construction of The Rooms, the Fort Townshend site was preserved. In the coming years The Rooms aspires to develop this underground site for public exhibition. As the space is currently at ground level, significant investment is required to not only prepare the site for public use but also to develop the exhibition from content, design and build.

BOARD OF DIRECTORS

Tom Foran, Chair

Lisa Browne, Vice-Chair

Seamus O'Regan

Dawn Baker

Kathi Stacey

Stan Hill

Albert Dober

Bruce Patey

Merrill Strachan

Judith Hearn, Deputy Minister, Tourism,
Culture and Recreation

THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR
FINANCIAL STATEMENTS

31 MARCH 2012

**THE ROOMS CORPORATION OF
NEWFOUNDLAND AND LABRADOR**

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OFFICE OF THE AUDITOR GENERAL
St. John's, Newfoundland and Labrador

AUDITOR'S REPORT

To the Chairperson and Members
The Rooms Corporation of
Newfoundland and Labrador
St. John's, Newfoundland and Labrador

Report on the Financial Statements

I have audited the accompanying financial statements of The Rooms Corporation of Newfoundland and Labrador which comprise the balance sheet as at 31 March 2012, the statement of revenues, expenses and surplus and statement of 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 generally accepted accounting principles, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Auditor's Report (cont.)

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Rooms Corporation of Newfoundland and Labrador as at 31 March 2012, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Terry Paddon', with a long horizontal line extending to the right.

TERRY PADDON, CA
Auditor General

8 August 2012
St. John's, Newfoundland and Labrador

**THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR
BALANCE SHEET**

31 March

2012

2011

(Restated)
(Note 16)

ASSETS

Current

Cash and short-term investments	\$ 1,827,358	\$ 1,865,621
Accounts receivable (Note 2)	205,700	292,668
Inventory	120,888	99,313

2,153,946 2,257,602

Restricted cash (Note 3) 7,448,396 5,054,413

Capital assets (Note 4 and Note 5) 4,038,399 3,455,098

\$ 13,640,741 \$ 10,767,113

LIABILITIES AND SURPLUS

Current

Accounts payable and accrued liabilities \$ 735,182 \$ 897,804

Long Term Liabilities

Accrued overtime and leave	282,661	262,340
Deferred capital contribution (Note 6)	3,703,873	3,117,343
Deferred revenue (Note 7)	7,448,396	5,007,503
Severance pay liability	552,585	580,740

11,987,515 8,967,926

12,722,697 9,865,730

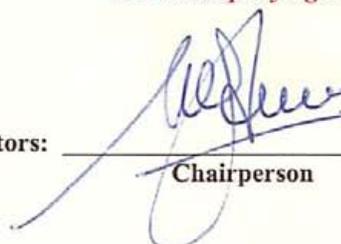
Surplus 918,044 901,383

\$ 13,640,741 \$ 10,767,113

Commitments (Note 10)

See accompanying notes

Signed on behalf of the Board of Directors:


Chairperson


Member

THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR
STATEMENT OF REVENUES, EXPENSES AND SURPLUS

For the Year Ended 31 March

2012

2011

(Restated)
(Note 16)

REVENUES

Province of Newfoundland and Labrador	\$ 8,072,305	\$ 7,851,440
Donated acquisitions	1,157,305	97,995
Colonial Building Political History Interpretation Project (Note 9)	828,662	315,478
Admissions	438,380	427,444
Amortization of deferred capital contribution	113,104	33,128
Gift shop sales	233,130	175,595
Federal Government	110,301	104,738
Donations	95,216	9,233
Corporate Sponsorship	94,610	48,567
Interest	78,419	47,541
External funding	21,572	3,500
Other	12,045	16,525
	11,255,049	9,131,184

EXPENSES

Advertising	292,668	258,719
Amortization	329,739	262,906
Appraisals and acquisitions	155,852	135,325
Allowance for doubtful accounts	8,675	-
Building	1,962,969	1,939,310
Colonial Building Political History Interpretation Project (Note 9)	758,662	303,126
Conference and registration fees	20,861	21,513
Core programming	569,188	714,425
Cost of gift shop sales	150,749	97,435
Donated acquisitions	1,157,305	97,995
Meetings	33,101	33,367
Office equipment and supplies	104,854	79,419
Professional services	241,467	245,714
Salaries and benefits	5,193,741	4,737,948
Telecommunications and courier	85,084	71,648
Travel	173,473	180,940
	11,238,388	9,179,790
Excess of revenues over expenses (expenses over revenues)	16,661	(48,606)
Surplus, beginning of year	901,383	949,989
Surplus, end of year	\$ 918,044	\$ 901,383

See accompanying notes

THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR**STATEMENT OF CASH FLOWS**

For the Year Ended 31 March

2012**2011**(Restated)
(Note 16)**Cash flows from operating activities**

Excess of revenues over expenses (expenses over revenues)	\$ 16,661	\$ (48,606)
Adjustment for non-cash items		
Amortization	329,739	262,906
Amortization of deferred capital contribution	(113,104)	(33,128)
Allowance for doubtful accounts	8,675	-
	<u>241,971</u>	<u>181,172</u>
Change in non-cash working capital		
Decrease in accounts receivable	78,293	457,887
Increase in inventory	(21,575)	(48,120)
Decrease in accounts payable and accrued liabilities	(162,622)	(1,168,110)
	<u>(105,904)</u>	<u>(758,343)</u>
Increase in accrued overtime and leave	20,321	8,688
Increase in deferred capital contribution	699,634	885,337
Increase in deferred revenue	2,440,893	1,590,834
(Decrease) increase in severance pay liability	(28,155)	55,019
	<u>3,268,760</u>	<u>1,962,707</u>
Cash flows from investing activities		
Purchase of capital assets	(913,040)	(1,469,601)
Increase in restricted cash	(2,393,983)	(913,205)
	<u>(3,307,023)</u>	<u>(2,382,806)</u>
Decrease in cash	(38,263)	(420,099)
Cash and short-term investments, beginning of year	1,865,621	2,285,720
Cash and short-term investments, end of year	\$ 1,827,358	\$ 1,865,621

See accompanying notes

Authority

The Rooms Corporation of Newfoundland and Labrador (the Corporation) was established as a corporation under the *Rooms Act* on 19 May 2005. In accordance with the *Rooms Act*, the Corporation assumed title to and has been vested with all of the rights, liabilities, assets and property of The Rooms Corporation of Newfoundland and Labrador Inc. established as a corporation under the *Corporations Act* on 18 November 2002. The Corporation was established to: collect, preserve, present and make available for research, historic artifacts, natural history specimens and archival records that represent and illustrate the significant history, culture and natural heritage of the Province; conduct research with respect to the history, natural history, culture and heritage of the Province; collect and present provincial, national and international contemporary and historic art; advance and promote the works of contemporary visual artists of the Province; support the development of cultural industries in the Province; strengthen the culture of the Province; and provide and enhance client services and partnerships to promote the cultural collections of the Province and to show other national and international collections. The Corporation is an agent of the Crown. The affairs of the Corporation are governed by a Board of Directors appointed by the Lieutenant-Governor in Council. The Rooms is located in St. John's, with regional facilities located in Grand Falls-Windsor (Mary March Provincial Museum and Loggers' Life Provincial Museum), Grand Bank (Provincial Seamen's Museum), and North West River (Labrador Interpretation Centre).

1. Summary of significant accounting policies

These financial statements have been prepared by the Corporation's management in accordance with Canadian generally accepted accounting principles. Outlined below are the significant accounting policies followed.

(a) Inventory

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

(b) Collections

The collections of art work, archival documents and historical and cultural artifacts form the largest part of the assets of the Corporation. These collections are not presented in the balance sheet due to the practical difficulties of determining a meaningful value for these assets. Gifted works of art and gifted artifacts donated to the Corporation are recorded as revenue at the fair market value of the gift based on appraisals by independent appraisers. The acquisition of both donated and purchased works of art and artifacts is expensed.

THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR

NOTES TO FINANCIAL STATEMENTS

31 March 2012

1. Significant accounting policies (cont.)

(c) Capital assets

Capital assets to which the Corporation has title are recorded at cost at the time of acquisition. Amortization is calculated on a straight line basis as follows:

Furniture and equipment - 7 years

Computer equipment and software - 3 years

Vehicles - 5 years

Building improvements - 7 to 20 years

Work in progress is considered to be a capital asset; however, it is not amortized as it is not yet available for use. Upon completion, these assets will be recorded in the appropriate category.

(d) Deferred revenue

The Corporation follows the deferral method with respect to externally restricted revenue.

(e) Deferred capital contribution

Contributions related to capital assets are deferred and amortized to revenue at the same rates which the related capital assets are amortized.

(f) Severance pay

Severance pay vests with employees after nine years of uninterrupted service and accordingly no provision has been made in these financial statements for employees who have less than nine years of uninterrupted service with the Province. Severance pay, at the rate of one week's pay for each year of service up to a maximum of twenty weeks pay, is payable when the employee ceases employment with the Province.

(g) Volunteers

During the year, volunteers contributed significant hours in support of the Corporation. Their activities include guided gallery and museum tours and a variety of programs that enrich the visitor's experience at the Corporation's facilities and its profile in the community. Due to the complexities involved in valuing these services, they have not been reflected in the financial statements.

THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
31 March 2012

1. Significant accounting policies (cont.)

(h) Use of estimates

In preparing the Corporation's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Any variation between these estimates and actual amounts are not expected to materially affect reported results. This includes and is not limited to the useful lives of capital assets.

(i) Future Accounting Standards

In December 2010, the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants amended the introduction to Canadian Public Sector Accounting Standards effective for fiscal years beginning on or after 1 January 2011. As a result of this amendment, the Corporation will now be required to prepare its financial statements in accordance with Canadian Public Sector Accounting Standards. The Office of the Comptroller General of the Province has assessed the Corporation as being a Government Not-For-Profit Organization. The Office of the Comptroller General has recommended that the Corporation implement the Canadian Public Sector Accounting Standards, without the standards specific to Government Not-For-Profit Organizations. As a Government Not-For-Profit Organization, the Corporation has until fiscal years beginning on or after 1 January 2012 to adopt the standards. The Corporation is planning for the transition to the Canadian Public Sector Accounting Standards on a retrospective basis for the year ending 31 March 2013.

2. Accounts receivable

	<u>2012</u>	<u>2011</u>
Province of Newfoundland and Labrador	\$ 29,312	\$ -
Harmonized sales tax	124,928	144,916
Government of Canada	-	106,640
Other	<u>60,135</u>	<u>41,112</u>
	214,375	292,668
<u>Less: allowance for doubtful accounts</u>	<u>8,675</u>	<u>-</u>
<u>Net accounts receivable</u>	<u>\$ 205,700</u>	<u>\$ 292,668</u>

THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR

NOTES TO FINANCIAL STATEMENTS

31 March 2012

3. Restricted cash

The following funds, which have external conditions on their use, have been received and deposited with the Corporation's general funds and are reported in these financial statements as restricted cash.

	2012	2011
Department of Tourism, Culture and Recreation		
- Regional Museums Improvement	\$ -	\$ 46,910
- Colonial Building	4,907,895	2,888,656
Private Donor - Site Development	87,955	100,000
Private Donor - Programming	83,334	-
Private Donor - Social History Exhibit	1,000,000	700,000
Corporate Donor - 4 th Floor	1,351,987	1,301,622
Permanent Collections Donations	15,625	15,625
Private Donor - B-17 Bomber Exhibit	1,600	1,600
	\$ 7,448,396	\$ 5,054,413

4. Capital assets

	2012			2011
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and equipment	\$ 985,810	\$ 720,249	\$ 265,561	\$ 458,656
Computer equipment and software	275,965	259,694	16,271	-
Vehicles	82,473	82,473	-	8,248
Building improvements	2,380,628	178,953	2,201,675	968,208
Capital assets transferred to the Corporation (Note 5)	1	1	-	-
Work in progress	1,554,892	-	1,554,892	2,019,986
	\$ 5,279,769	\$ 1,241,370	\$ 4,038,399	\$ 3,455,098

These financial statements do not include the value of "The Rooms" building out of which the Provincial Archives, Art Gallery and Museum Divisions of the Corporation operate. Ownership of the building, which cost \$49.3 million to construct, is held by the Minister of Transportation and Works on behalf of the Province. Ownership of buildings located throughout the Province which house regional museums are also held by the Minister of Transportation and Works on behalf of the Province.

THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR

NOTES TO FINANCIAL STATEMENTS

31 March 2012

5. Capital assets transferred to the Corporation

During 2003-04, The Rooms Corporation of Newfoundland and Labrador Inc. assumed title to the capital assets of the Provincial Archives, the Provincial Museum and the Art Gallery of Newfoundland and Labrador. These assets have been transferred to the Corporation. The costs and accumulated amortization of these assets are unknown and a reasonable estimate of the amounts involved could not be determined. Therefore, the cost has been recorded as \$1 and the accumulated amortization has been recorded at \$1.

6. Deferred capital contribution

The following funds have been received by the Corporation for the acquisition or construction of capital assets. Recognition of revenue will occur in accordance with the Corporation's stated policy for deferred capital contributions.

	2012	2011
Deferred capital contribution - Provincial	\$ 1,781,700	\$ 1,875,474
Deferred capital contribution - Federal	782,281	801,612
Deferred capital contribution - Other	1,139,892	440,257
	<u>\$ 3,703,873</u>	<u>\$ 3,117,343</u>

7. Deferred revenue

The following funds have been received by the Corporation. Since the conditions relating to their use have not been met, recognition of the revenues has been deferred and the funds are recorded as restricted.

	2012	2011
Deferred revenue - Provincial	\$ 4,907,895	\$ 2,888,656
Deferred revenue - Other	2,540,501	2,118,847
	<u>\$ 7,448,396</u>	<u>\$ 5,007,503</u>

8. Related party transactions

(a) Province of Newfoundland and Labrador

The Corporation is a Crown Corporation of the Province of Newfoundland and Labrador reporting through the Minister of the Department of Tourism, Culture and Recreation. Expenses incurred by the Province, related to salaries and benefits totaling \$5,117,161 (2011 - \$4,547,906), are reflected in these financial statements as expenses of the Corporation and as revenue from the Province. Included in this total is \$630,741 (2012 - \$540,492), related to the employer's share of employee benefits, paid by the Department of Finance on behalf of the Corporation.

THE ROOMS CORPORATION OF NEWFOUNDLAND AND LABRADOR

NOTES TO FINANCIAL STATEMENTS

31 March 2012

8. Related party transactions (cont.)

(a) Province of Newfoundland and Labrador (cont.)

The Province provides the Corporation with buildings and space, and related building services, for use as regional museums, storage and workshops in various locations throughout the Province at no cost to the Corporation. Information Technology services and legal services are also provided to the Corporation by the Province at no cost to the Corporation. The value of these spaces and the services provided is not readily determinable and therefore are not reflected in these financial statements.

(b) Memorial University of Newfoundland (MUN)

Certain employees who transferred to the Corporation from Memorial University of Newfoundland continue to have their payroll administered by MUN. MUN invoices the Corporation for actual costs incurred. Expenses related to salaries and benefits totaling \$141,948 (2011 - \$167,305) were invoiced by MUN during the year.

(c) The Rooms Foundation of Newfoundland and Labrador

The Rooms Foundation of Newfoundland and Labrador was incorporated on 11 March 2009 under the *Corporations Act*. It was incorporated in accordance with Section 8(7) of the *Rooms Act*. There were no transactions or other activity between 11 March 2009 and 31 March 2012.

9. Colonial Building Political History Interpretation Project

Under a Memorandum of Understanding between the Province and the Corporation signed on 31 March 2009, the Corporation will administer a Project to renovate the Colonial Building into a heritage interpretation centre/museum. As Project sponsor, the Corporation is responsible for administration of the Project. As title to and use of the Colonial Building remains with the Province, the Corporation does not capitalize the renovations to the Building. Rather, the Corporation records expenses related to the Project as incurred and revenues in the amount equal to the expenses incurred plus an administration fee. The original Memorandum of Understanding was replaced by a new Memorandum of Understanding that was signed on 14 December 2011. Under the new Memorandum of Understanding, the Corporation will continue as Project sponsor until the Project's expected completion in Spring 2014. As of 31 March 2012, expenses totaling \$2,795,536 have been incurred related to the Project.

On 1 December 2008, an Agreement (the Agreement) respecting a Project called "Colonial Building Political History Interpretation" was signed between the Corporation and the Government of Canada. The Agreement provided funding for the renovation of the Colonial Building in the maximum amount of \$748,335. On 8 March 2010, the Agreement was amended to reduce the maximum contribution from the Government of Canada to \$695,512. During the year, expenses of \$758,662 (2011 - \$303,126) were incurred related to the Project. The Corporation also recognized revenues of \$828,662 (2011 - \$315,478) related to the Project.

10. Commitments

(a) Facility Management Contract

The Corporation has entered into an annual facility management contract representing commitments of approximately \$175,000 per month. The contract automatically renews every 30 September unless the Corporation provides notice of its intent to terminate the contract no less than sixty days prior to 30 September.

(b) Level 4 Development Contract

The Corporation has entered into an agreement for the interpretive planning, design, fabrication and installation for two exhibitions on Level 4 of The Rooms. The total contract value is \$2,200,000 and the work is to be substantially completed by June 2013. Of this total amount, \$168,600 has been expended to 31 March 2012.

11. Donor commitment

An anonymous donor has pledged the amount of \$ 1,000,000 for the purpose of development of The Rooms site. This amount has not been recognized in the financial statements as at 31 March 2012 and will be recognized as and when the funds are received.

12. Pensions

Under the *Rooms Act*, the Corporation's staff are subject to the *Public Service Pensions Act*. The Province of Newfoundland and Labrador administers the payroll processing for the majority of the Corporation's staff. Employee contributions are matched by the Province, on behalf of the Corporation, and are remitted to the Province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to employees when they retire. The Corporation's share of pension contributions for 2012 was \$306,475 (2011 - \$263,411). This is included as Salaries and benefits and is also included in the revenue that the Corporation receives from the Province.

Certain employees who transferred to the Corporation from Memorial University of Newfoundland (MUN) continue to have their payroll administered by MUN, including pension benefits. MUN invoices the Corporation for the employer share of pension contributions which are then remitted to the Memorial University of Newfoundland Pension Fund from which pensions will be paid to employees when they retire. The Corporation's share of pension contributions related to these employees for 2012 was \$9,779 (2011 - \$11,160).

13. Financial instruments

The Corporation's financial instruments recognized on the balance sheet consist of cash and short-term investments, accounts receivable, and accounts payable and accrued liabilities. The carrying values of these instruments approximate current fair value due to their nature and the short-term maturity associated with them. Any estimated impairment of accounts receivable has been provided for through an allowance for doubtful accounts and no further credit risk exists in relation to these receivables.

14. Economic dependence

As a result of its reliance on future transfers from the Province of Newfoundland and Labrador to ultimately finance its costs of operations, the Corporation's ability to continue operations is dependent upon the decisions of Government.

15. Income taxes

The Corporation is a Crown entity of the Province of Newfoundland and Labrador and as such is not subject to Provincial or Federal income taxes under Section 149 (1) (d) of the *Income Tax Act*.

16. Correction of a prior period error

An amount of \$205,367 was incorrectly omitted from both work in progress and accounts payable and accrued liabilities as at 31 March 2011. The prior year financial statements have been restated to correct this error. The effect of this error was to increase work in progress and increase accounts payable and accrued liabilities by \$205,367 as at 31 March 2011. In addition, an amount of \$205,367 was reallocated from restricted cash to cash for the year ended 31 March 2011. There is no effect in 2012.

17. Comparative figures

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



www.therooms.ca

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