



# Kings Landing Corporation

Annual Report  
**2015-2016**

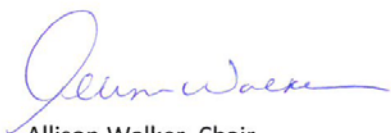
October 11, 2017

Honourable John Ames  
Minister of Tourism, Heritage and Culture  
Province of New Brunswick  
Fredericton, New Brunswick

Dear Minister Ames:

On behalf of the Board of Directors, it is my pleasure to submit to you the Annual Report of Kings Landing Corporation for the fiscal year ended March 31, 2016.

Sincerely,



Allison Walker, Chair  
Kings Landing, Board of Directors

# Board of Directors

Mark McCauley (Chair)

D. Andrew Rouse (Vice –Chair)

M. Dawn Bremner (resigned Nov 25, 2015)

Allison Walker

Helen Jean Newman

Juan Estepa

Ian Stead

Marc E. Smith

Christopher Hand

# Executive Director's Report 2015-2016

On behalf of the management and staff of Kings Landing Corporation, I am pleased to present our 2015-2016 Annual Report. This report summarizes Kings Landing Corporation's financial and operational activity over the past year.

After considerable research and guest input on the evolution of the Kings Landing experience, several modifications were introduced. Of note, and certainly the largest advancement since the beginning of Kings Landing was the creation of two separate experiences. The geographical elements of the village provided for a West side – newly dedicated to contemporary museum experiences and the more traditional East side – where a 1<sup>st</sup> person interpreted village awaited guests. This fundamental change transitioned homes on the west side into galleries, where guests were lead through a series of exhibits designed to provide guests a contextual and much richer experience on the East, or Village, side of Kings Landing. This created further opportunities to add modern day programming throughout the season including voyageur canoe experiences, partner exhibits and demonstrations, workshops and daily opportunities for guests to roll up their sleeves and make a little history of their own.

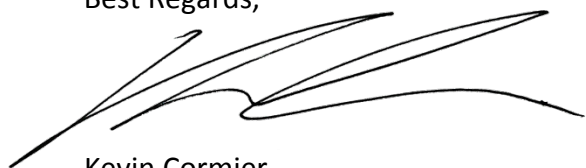
As this new concept took shape over the course of the season, guests responded favourably and shared their experiences by word of mouth and through social media. This resulted in a further increase in visitation of 22% over the preceding year. This year also marked the re-emergence in development of business opportunities in travel trade – presenting Kings Landing once again to tour companies interested in refreshing their experiences at the Bienvenue Quebec and Ontario Motorcoach Association travel trade shows.

Further refinement of operational expenses meant adding more resources into Visitor Experience with no net cost increase to the corporation.

Finally, the dam remediation project at year end was at 75% complete with a finish date of mid-summer 2016. The bridge, connecting the East and West sides of the property, was replaced as well.

I'd like to take this opportunity to thank all those involved in making this year a success.

Best Regards,

A handwritten signature in black ink, appearing to read 'Kevin Cormier', with a stylized, sweeping flourish extending from the end of the name.

Kevin Cormier  
Executive Director  
Kings Landing Corporation

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# About Kings Landing Corporation

Created over a period from 1967 to 1974, Kings Landing Corporation operates Kings Landing Historical Settlement, a world-class living history museum depicting and interpreting life in rural New Brunswick from the 18<sup>th</sup> to the 20<sup>th</sup> century. For over 40 years, over 3 million visitors have experienced history come to life within a 300-acre site and through the use of a priceless collection of over seventy thousand artifacts.

## Mission

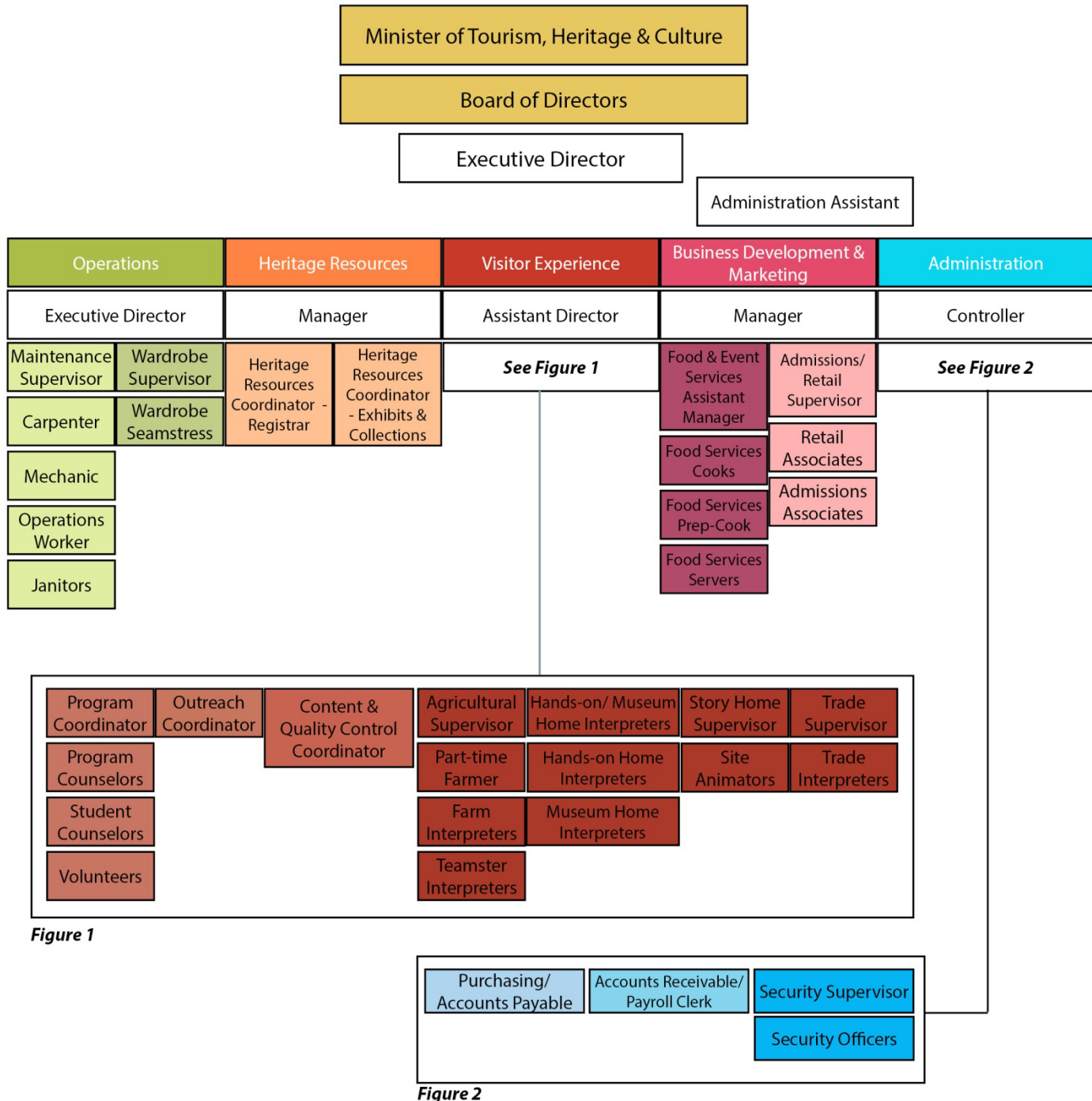
To create, maintain, and operate as a world-class attraction an authentic living history museum that will attract, educate, enrich, and entertain tourists and New Brunswick residents by depicting life in rural New Brunswick during the 19<sup>th</sup> century.

## Key Goals

- Through the preservation of New Brunswick heritage to create, present and maintain to professional standards an authentic living history museum furnished, supplied, and “inhabited” to depict life in rural New Brunswick during the 19<sup>th</sup> century.
- To attract an increasing number of annual visitors, both from outside and within New Brunswick.
- To provide the modern infrastructure and services necessary to meet the needs and expectations of visitors, management and employees.
- To develop education experiences and programming that exceeds visitor expectations.
- To develop and maintain effective governance, management, administrative systems and resources that will ensure a professionally operated organization.
- To increase retail and food service revenues through enhanced pricing and retailing strategies and improved customer service.

# Organizational Chart

## Kings Landing Corporation Organizational Structure 2015-2016



# Highlights of the Year

## Business Development and Marketing Department

### Admissions

Admissions revenue totalled \$329,640 up 16% from the previous year marking an increase in visitation of 22%. This was in large part due to increased social media surrounding programming enhancements and site experience changes.

### Retail

Building on the changes from 2014, retail operations focused on maximizing profitability by having an area in the store designated for consignments sales. There was also a greater increase in sales of items made by artisans on site. Overall, gross sales increased by 3.5%.

### Food Services

Operations within the Kings Head Inn line of business once again garnered favorable results. Savings were realized with respect to cost of goods despite rising food costs. Thanksgiving and Christmas Dinner Programs were again highly successful. Demand for Thanksgiving Dinners has increased in recent years to the point where this program has now been moved to a reservation only model in the same way that the Christmas Dinner Program is delivered. Food Services realized an 8.5% increase in gross sales.

### Marketing

Initiatives over the past year have focused primarily on social media and driving guests to learn more about Kings Landing's programming information available online. This includes the redesign and launch of the Kings Landing website.

Continuing with a renewed focus on group tour sales since the Atlantic Canada Showcase (2014), Kings Landing has continued to participate in the Ontario Motor Coach Association and Bienvenue Quebec travel trade shows.

## Visitor Experience Department

### Site Interpretation

The 2015 season saw significant modifications made to the overall visitor experience at Kings Landing. Essentially, the site has been divided between interpretive village and modern programming areas allowing for greater diversity in our program offering.

This year included a strong push to become even more authentic in our interpretation of 19<sup>th</sup>-century life in New Brunswick and expand on the commitment of 1<sup>st</sup> person interpretation. This



in turn allowed our interpreters the ability to assume the character for which they are portraying and tell their stories in a manner which is far more connective to the visitor. This interpretation calls upon the use of universal concept of story and TORE (Thematic, organized, relevant, and enjoyable) quality interpretation to appeal to broader audiences in more meaningful aspects.

The first half of the site is now dedicated to modern programming with upwards of forty exhibits displayed within five museum galleries spanning numerous themes. This modern programming allows Kings Landing a space to now offer partner museums and associations to present on site as well as have live musical and theatrical entertainment in the future. Plans are also underway to add an apiary, partner pavilion, children's play area, interpretive gardens, horseback riding and outdoor exhibit space over the course of the next two years.

## **Education**

Educational school programs were once again offered in the spring, autumn and winter seasons. These programs are hands-on learning opportunities for all ages in the public school system. Programs are designed specifically for a particular grade to coincide with curricular objectives as outlined by the Department of Education. Most of these programs offer children insight into the daily life of a child their age 150 years ago, highlighting family, self-sufficiency and community.

The Visiting Cousins & Family Kin immersion programs were operated during the summer school break. These programs offer an opportunity for children ages 9 to 15 to stay overnight and dress in period costume in order to live as a child their age would have in the 19th century for 5 days. Activities include doing chores on the farm, attending the one-room schoolhouse, learning to cook, do laundry by hand, make a nail in the blacksmith shop and help maintain gardens. This season saw 206 children participate in the program.

## **Agriculture and Gardening Programs**

Enhancements to programming in the new site experience has allowed for far greater hands-on experiences, especially in the areas of agriculture and gardening. Modern programming now allows for comparison and contrast explanations to accompany visitor led garden activities. These developments will lay the groundwork for further enhancements in integrative interpretation in the coming years.

## **Volunteer Program**

Kings Landing continues to benefit from the contribution of our volunteer workforce. Volunteers assist in a number of museum operations including collections management, carpentry, artifact repair, site preparation, facilitation, interpretation and museum docent activities.

## **Heritage Resources Department**

With the adoption of the Corporation's Collection Management and Acquisition policy in early 2015, Heritage Resources developed a three year collections strategy adopted by the Board of Directors in early 2016. This strategy clearly defines the collection deliverables moving forward to 2019. As such, this has slowed the intake of new acquisitions which were limited to artefacts that fulfilled needs found in the Working Collection.

As there were not a lot of new acquisitions, attention shifted to updating records of the over 70,000 artifacts currently in the Kings Landing collection. This exercise was conducted in a manner that anticipates more study and reference as well as shared resources with other institutions.

## **Operations Department**

### **Maintenance**

The Maintenance Department was involved in large-scale operations throughout this year with the Department of Transportation and Infrastructure leading the file. Within this fiscal year, the dam replacement project was awarded with work commencing in August and a completion date within fourth quarter. Subsequent to this project was the replacement of the lower bridge linking the east and west portions of the site. This project was underway in November and completed by fourth quarter.

In addition to these two large projects, the Maintenance Department endeavoured to repair, replace and update the buildings as required and in concert with the yearly maintenance plan.

### **Wardrobe**

The Wardrobe department is responsible for providing costume fitting and sign-out, alterations, repairs and maintenance of costumes, development of patterns, and the construction and maintenance of costumes. This department also assisted with teaching techniques and providing materials for period garments and crafts.

### **Security**

The Security department provides front line customer service and facilitates emergency, security and public safety procedures. Due to budget restraints, security coverage was scaled back to evenings and weekends only.

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FINANCIAL STATEMENTS

**KINGS LANDING CORPORATION**

3/31/2016

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Kings Landing Corporation  
Statement of Financial Position  
As at 31 March

**FINANCIAL ASSETS**

	2016	2015
Cash and cash equivalents	\$ 620,418	\$ 491,526
Accounts receivable	41,257	55,007
	<u>661,675</u>	<u>546,533</u>

**LIABILITIES**

Accounts payable and accrued liabilities (Note 3)	184,791	218,167
Working capital advance payable (Note 4)	200,000	200,000
Deferred revenue (Note 2)	54,473	37,237
	<u>439,264</u>	<u>455,404</u>

**NET FINANCIAL ASSETS**

<u>222,411</u>	<u>91,129</u>
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**NON-FINANCIAL ASSETS**

Prepaid expenses	17,133	3,022
Inventories (Note 5)	117,733	107,358
Kings Landing Collection (Note 2)	1	1
Tangible capital assets (Note 7)	3,008,384	3,156,155
	<u>3,143,250</u>	<u>3,266,536</u>

**ACCUMULATED SURPLUS**

<u>\$ 3,365,662</u>	<u>\$ 3,357,665</u>
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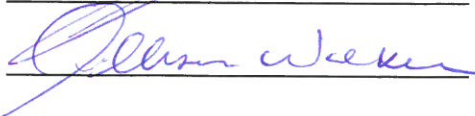
Contingent liabilities – Note 11

Subsequent Events – Note 15

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

Approved by the Board

  
\_\_\_\_\_  
Chairperson, Mark McCauley

  
\_\_\_\_\_  
Director, Allison Walker

Kings Landing Corporation  
Statement of Operations and Change in Accumulated Surplus  
For the year ended 31 March

	Budget 2016 (Note 10)	2016	2015
<b>REVENUE</b>			
Admissions	\$ 305,115	\$ 329,640	\$ 283,515
Gift Store	170,000	165,598	160,043
Food Services	378,000	404,647	372,849
Interpretation & education	74,250	80,124	66,657
Other Operating Revenue (Note 13)	61,130	29,591	28,577
	<u>988,495</u>	<u>1,009,600</u>	<u>911,641</u>
<b>GRANTS</b>			
Provincial – Operating	2,649,500	2,661,375	2,647,176
Provincial – Other (Note 9)	50,000	50,000	50,000
Marketing	-	100	-
Employment Programs	15,000	23,186	19,306
	<u>2,714,500</u>	<u>2,734,661</u>	<u>2,716,482</u>
	<u>3,702,995</u>	<u>3,744,261</u>	<u>3,628,123</u>
<b>EXPENSES</b>			
Interpretation & education	1,216,668	1,059,948	1,208,252
Gift store	90,698	100,651	102,386
Maintenance	706,894	790,630	746,906
Security	209,949	222,697	210,532
Curatorial	255,942	275,748	271,258
Visitor services	251,332	246,434	195,788
Public relations	73,736	74,686	44,846
Administration	431,906	414,246	427,463
Food services	360,101	373,156	336,985
Amortization of tangible capital assets	-	178,068	187,377
	<u>3,597,226</u>	<u>3,736,264</u>	<u>3,731,793</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>105,769</u>	<u>7,997</u>	<u>(103,670)</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>3,357,665</u>	<u>3,461,335</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 3,365,662</u>	<u>\$ 3,357,665</u>

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

Kings Landing Corporation  
Statement of Changes in Net Financial Assets  
For the year ended 31 March

	2016	2015
<b>Net Financial Assets at beginning of year</b>	\$ 91,129	\$4,503
Annual surplus (deficit)	7,997	(103,670)
Acquisition of tangible capital assets	(31,420)	(2,800)
Proceeds on disposal of tangible capital assets	-	500
Amortization of tangible capital assets	178,068	187,377
Loss (Gain) on disposal of tangible capital assets	1,123	(200)
Net change in prepaid expenses	(14,111)	(2,757)
Net change in inventory	(10,375)	8,176
<b>Increase in Net Financial Assets</b>	<u>131,282</u>	<u>86,626</u>
<b>Net Financial Assets at End of Year</b>	<u>\$ 222,411</u>	<u>\$ 91,129</u>

The accompanying notes are an integral part of these financial statements

Kings Landing Corporation  
Statement of Cash Flows  
For the year ended 31 March

**CASH PROVIDED BY (USED FOR):**

	<b>2016</b>	<b>2015</b>
Operating Activities		
Annual surplus (deficit)	\$ 7,997	\$ (103,670)
Add items not involving cash:		
Amortization of tangible capital assets	178,068	187,377
Loss (Gain) on disposal of tangible capital assets	1,123	(200)
(Decrease) Increase of non-cash components of working capital (Note 14)	(26,876)	17,753
	<u>160,312</u>	<u>101,260</u>
Capital Activities:		
Acquisitions of tangible capital assets	(31,420)	(2,800)
Proceeds from disposal of tangible capital assets	-	500
	<u>(31,420)</u>	<u>(2,300)</u>
<b>INCREASE IN CASH</b>	<u>128,892</u>	<u>98,960</u>
Cash and cash equivalents, beginning of year	491,526	392,566
<b>Cash and cash equivalents, end of year</b>	<u>\$ 620,418</u>	<u>\$ 491,526</u>

**Cash and cash equivalents are represented by**

	<b>2016</b>	<b>2015</b>
Cash	\$ 101,502	\$ 125,467
Short term Investments	<u>518,916</u>	<u>366,059</u>
	<u><b>\$ 620,418</b></u>	<u><b>\$ 491,526</b></u>

The accompanying notes are an integral part of these financial statements

**1. Nature of operations**

Kings Landing Corporation (the Corporation) is a provincial Crown agency incorporated by an Act of the New Brunswick Legislature. The Corporation serves the people of New Brunswick and visitors of the province by operating a living historical village as a dynamic, progressive outdoor museum.

**2. Summary of significant accounting policies**

**General**

These financial statements are prepared by Management using the Corporation's accounting policies stated below, which are in accordance with Canadian public sector accounting standards (PSAS) as issued by the Public Sector Accounting Board.

**Revenue recognition**

Government transfers are transfers of money, such as grants, for which the Corporation does not provide any goods or services directly in return.

Government transfers are recognized in the Corporation's statements as revenue in the period the events underlying the transfer occurred, as long as the transfer is authorized and eligibility criteria have been met. Government transfers consist of operating and capital grants from the Province of New Brunswick.

Revenue from general operations is recognized when products and services are delivered to the customer and collection is reasonably assured.

**Deferred revenue**

Amounts received for registration fees are deferred and recognized in revenue over the period to which they relate.

**Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not to be consumed in the normal course of operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver services, may be consumed in normal operations and are not for resale. Non-financial assets include prepaid expenses, inventory, tangible capital assets and the Kings Landing Collection.

**Kings Landing Collection**

The Kings Landing Collection is composed of some 70 major historical structures and thousands of individual artifacts from the period between 1780 and 1900. The structures and artifacts are not replaceable as each piece represents a unique aspect of New Brunswick history. In recognition of this, the collection is valued at \$1 and individual pieces purchased by the Corporation are expensed in the year of acquisition. Similarly, costs of maintaining the collection are charged to maintenance expense as incurred. During the year, artifacts with an estimated fair value of \$1,980 (2015 - \$9,905) were received from donors and added to the collection.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, bank balances, or cheques in excess of funds on deposit, and a GIC with a maturity of less than one year as at March 31, 2016. The Corporation has overdraft protection at a financial institution where interest is calculated at prime rate plus 1.5% per year.



**Contributed services**

Volunteers contribute a significant number of hours to assist the Corporation in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

**Pension contributions**

Effective January 1, 2014, the Public Service Superannuation Plan (PSSA) was converted and replaced by the Public Service Shared Risk Plan (PSSRP). The PSSRP is a shared risk pension plan in accordance with the *New Brunswick Pension Benefits Act*. Certain employees of the Corporation are entitled to receive pension benefits under the PSSRP. This converted plan requires all employees classified as full-time employees to participate in this new plan, which is funded by both the employee and the employer. The Corporation is not responsible for any unfunded liability nor does it have access to any surplus with respect to its employee pensions.

**Retirement allowances**

Certain long serving employees receive a retirement allowance upon retirement from public service. The plan is funded by the Province of New Brunswick. The Province made changes to its retirement allowance program during the fiscal 2013-2014 year where management and non-union employees of the Corporation will no longer accumulate retirement allowance credits. Employees who were participating in this program were offered a choice of pay-out in lieu of a retirement allowance or, for those with more than five years of service, an option to defer the pay-out until retirement. The Corporation's costs and liability associated with the plan and its recent changes are not included as part of its budget but are recorded by the Province in its financial statements. During the year, retirement allowance payments of \$3,183.54 were made (2015 - \$0).

**Liability for injured workers**

The Corporation is responsible for benefit payments to WorkSafeNB for injured employees. Amounts billed by WorkSafeNB and management's estimate, if any of the value of unbilled payments have been accrued.

**Measurement uncertainty**

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The most significant areas requiring the use of management estimates related to the determination of employee benefit liabilities, amortization rates of tangible capital assets and the amount of inventory subject to obsolescence. Actual results could differ from management's best estimates, as additional information becomes available in the future.

**Tangible capital assets**

Acquired or contributed tangible capital assets, except those of a historical nature, are recorded at cost or appraised value where cost is not determinable. Amortization is calculated using declining balance rates of 5% to 20% or straight line over 20 to 30 years, which represent the estimated useful life of the assets. The Corporation has 91.5 acres of land on both sides of the St. John River. Approximately 40 acres are used for site purposes. Because its purpose is to serve as a site for the collection, the land has been recorded at a value of \$1.

**Inventory**

Inventory is valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business. Inventories consist of fabrics, food and merchandise held for resale. Management estimates the inventory obsolescence results from the decline in saleable value.

**Kings Landing Corporation**  
**Notes to the Financial Statements**  
**31 March 2016**

**Financial instruments**

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and working capital advance payable.

Financial instruments are recognized when the Corporation becomes a party to the contractual rights and obligations of the financial instrument.

Financial instruments are derecognized when the contractual rights to the cash flows from the financial asset have expired or have been transferred, and the Corporation has transferred substantially all risks and rewards of ownership, or are derecognized when the contractual obligation has been discharged, cancelled, or has expired.

The Corporation designates its financial instruments as follows:

a) Cash and cash equivalents are measured at fair value. Fair value is assumed to represent the carrying value, which is at historical cost.

b) Accounts receivable, accounts payable and accrued liabilities and working capital advance payable are measured at amortized cost.

**3. Accounts payable and accrued liabilities**

	<b>2016</b>	<b>2015</b>
Employee benefits	\$ 72,648	\$ 132,695
Other accounts payable and accrued liabilities	112,143	85,472
	<u>\$ 184,791</u>	<u>\$ 218,167</u>

**4. Working capital advance payable**

The demand loan owing to the Province of New Brunswick is unsecured and non-interest bearing with no specific terms of repayment.

**5. Inventories**

	<b>2016</b>	<b>2015</b>
Gift store	\$ 75,332	\$ 60,048
Fabrics	10,577	11,191
Food and liquor	28,192	33,947
Other	5,274	3,814
Subtotal	<u>119,375</u>	<u>109,000</u>
Less: Provision for obsolescence	<u>(1,642)</u>	<u>(1,642)</u>
	<u>\$ 117,733</u>	<u>\$ 107,358</u>

**6. Expenses by object**

	<b>2016</b>	<b>2015</b>
Amortization	\$ 178,068	\$ 187,377
Salaries, wages and benefits	2,656,910	2,672,882
Cost of goods sold	202,001	195,839
Other Expenses	699,286	675,695
	<u>\$ 3,736,264</u>	<u>\$ 3,731,793</u>

**Kings Landing Corporation**  
**Notes to the Financial Statements**  
**31 March 2016**

**7. Tangible capital assets**

		Land	Buildings	Site Services	Mobile Equipment	Computer Hardware	Office Furniture	2016 Total	2015 Total
<b>Cost</b>									
Opening Cost	1	4,970,746	211,567	380,675	98,176	31,659	5,692,824	5,691,524	
Additions net of disposal	-	-	-	(179)	-	-	(179)	1,300	
<b>Closing Cost</b>	1	4,970,746	211,567	380,496	98,176	31,659	5,692,645	5,692,824	
<b>Accumulated Amortization</b>									
Opening Accumulated Amortization	-	2,112,702	45,299	281,130	72,518	25,020	2,536,669	2,350,492	
Disposal	-	-	-	(30,476)	-	-	(30,476)	(1,200)	
Amortization Expense	-	144,154	7,361	20,093	5,132	1,328	178,068	187,377	
<b>Closing Accumulated Amortization</b>	-	2,256,856	52,660	270,747	77,650	26,348	2,684,261	2,536,669	
<b>Net Book Value</b>	1	2,713,890	158,907	109,749	20,526	5,311	3,008,384	3,156,155	

**8. Risk management**

The carrying value of the Corporation's financial instruments are assumed to approximate their fair amounts because of their short term to maturity.

An analysis of significant risk from the Corporation's financial instruments is provided below:

- Credit risk – Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. Accounts receivable balances are due from the federal government and related parties of the Province and are considered low risk due to excellent collection history. Accounts receivable balances from external organizations are deemed insignificant to the Corporation's financial statements. The Corporation's maximum exposure to credit risk at March 31, 2016 is equal to the accounts receivable balance of \$41,257. Credit risk is not disbursed as the Federal government and related entities of the Province comprise a significant portion of the accounts receivable balance.
- Liquidity risk – Liquidity risk is the risk of not being able to settle or meet an obligation on time or a reasonable price. The Corporation manages liquidity risk by maintaining sufficient cash and cash equivalent balances to meet operating and capital requirements.
- Interest rate risk - Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. The Corporation's management considers exposure to interest rate risk to be insignificant.
- Currency risk – Currency risk arises on financial instruments denominated in a foreign currency. The Corporation is exposed to currency risk on purchases that are denominated in a currency other than the Corporation's functional currency, primarily in US Dollars (USD). The Corporation's foreign currency transactions are normally settled in the short term, therefore management considers exposure to currency risk to be insignificant.

**9. Provincial grant – other**

The Province of New Brunswick provided the Corporation with a \$50,000 capital grant in fiscal 2015-2016 (fiscal 2014-2015 - \$50,000). This grant was used for expenditures related to the maintenance and repairs on the Collection (Note 2).

**Kings Landing Corporation**  
**Notes to the Financial Statements**  
**31 March 2016**

**10. Budget**

The budget figures included in these financial statements have been derived from the estimates approved by the Board of Directors of the Corporation.

**11. Contingent liabilities**

The Corporation may be subject to litigation in the course of its operations. In management's judgment, no material exposure exists at this time and accordingly, management has not recorded a provision for loss in the financial statements.

**12. Economic dependence**

The Corporation is economically dependent on the Province of New Brunswick as it receives a significant portion of its funding from various government departments. The Province also provides certain other services from time to time such as staff resources, the cost of which has not been determined and is not included in these statements.

**13. Other operating revenue**

	<b>2016</b>	<b>2015</b>
Donations	\$ 25	\$ 1,155
Other	29,566	27,422
	<u>\$ 29,591</u>	<u>\$ 28,577</u>

**14. Non-cash components of working capital**

	<b>2016</b>	<b>2015</b>
Decrease (increase) in accounts receivable	\$ 13,750	\$ (34,833)
(Increase) in prepaid expenses	(14,111)	(2,757)
(Increase) decrease in inventories	(10,375)	8,176
(Decrease) increase in accounts payable and accrued liabilities	(33,376)	33,785
Increase in deferred revenue	17,236	13,382
	<u>\$ (26,876)</u>	<u>\$ 17,753</u>

**15. Subsequent Events**

**Sawmill, Dam and Bridge Repair**

Flooding in December of 2010 resulted in extensive damage to a dam, sawmill and bridge on site. The dam has continued to deteriorate and after an assessment was conducted by the Department of Transportation and Infrastructure (DTI), it was determined that the area was no longer safe for interpretation.

Repair work on the dam, sawmill and bridge began in August 2015 and was completed in July 2016. The estimated cost of repairs for the dam, sawmill and bridge total \$3.9 million. None of these repair costs were funded by the Corporation. The Department of Tourism, Heritage and Culture and DTI were responsible for all costs associated with this work.

Upon completion of this repair work in fiscal 2017, the Corporation will prepare an analysis of the costs to repair the dam, sawmill and bridge. Eligible costs will be capitalized and subsequently amortized in accordance with the Corporation's Capital Asset Management Policy and Canadian public sector accounting standards (PSAS). Any amounts which are capitalized relating to this work will also be recognized as a Government Transfer revenue in accordance PSAS.

### **Labour Negotiations**

In August 2016, the Province's Treasury Board signed a new, retro-active collective agreement which includes certain bargaining employees of the Corporation. As the Province will be funding all retroactive costs associated with the collective agreement for the Corporation, the net impact on the Corporation's surplus is nil. Related revenue and expense amounts for these retroactive payments will be recorded in fiscal 2017.