

# KINGS LANDING



## Kings Landing Corporation 2022-2023 Annual Report





Kings Landing Corporation  
2022-2023 Annual Report

Published by:  
Government of New Brunswick

Kings Landing Corporation  
5804 Route 102  
Prince William, NB E6K 0A5

Printed in New Brunswick

ISBN 978-1-4605-3853-1 (Print)  
ISBN 978-1-4605-3854-8 (Online)  
ISSN 1921-4456 (Print)  
ISSN 2562-282X (Online)

# TABLE OF CONTENTS

Transmittal Letters .....	1
Message from the Board Chair .....	2
Message from the CEO .....	3
Corporation Act & Mission Statement .....	4
Board of Directors .....	4
Highlights from 2022-2023 .....	5
Priority Pillars Update .....	7
🌿 1. Infrastructure Renewal .....	7
🌿 2. Employee Retention & Attraction .....	8
🌿 3. Greater Interpretive Mandate .....	9
🌿 4. Student Education .....	11
🌿 5. Incremental Revenue Contribution .....	12
🌿 6. Guest Visitation Growth .....	13
Appendix: 2022-2023 Financial Statements .....	14



# TRANSMITTAL LETTERS

## **FROM THE MINISTER TO THE LIEUTENANT GOVERNOR**

**The Honourable Brenda Murphy**  
Lieutenant Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the Kings Landing Corporation, Province of New Brunswick, for the fiscal year April 1, 2022 to March 31, 2023.

Respectfully submitted,



**Honourable Tammy Scott-Wallace**  
Minister of Tourism, Heritage and Culture

## **FROM THE CHAIR OF THE BOARD OF DIRECTORS TO THE MINISTER**

**Honourable Tammy Scott-Wallace**  
Minister of Tourism, Heritage and Culture

Dear Minister Scott-Wallace:

I am pleased to present the annual report describing operations of the Kings Landing Corporation for the fiscal year April 1, 2022 to March 31, 2023.

Respectfully submitted,



**Al Walker**  
Chair, Board of Directors  
Kings Landing Corporation



## A MESSAGE FROM THE BOARD CHAIR

On behalf of the Board of Directors of Kings Landing Corporation, it is my pleasure to present the Annual Report for the 2022-2023 season. While planning the 2023-2026 Corporate Strategic Plan, Kings Landing grew its attendance and reached a 92% approval rating from its visitors through innovative programming and returning travel trade and school groups.

I want to thank the interim Acting Co-CEOs, Melanie Sloat and Amanda Stairs, staff and volunteers who bring New Brunswick and Canadian history to life at Kings Landing.

I want to extend my gratitude to all the Board members for their time and efforts over the past year. From sitting on numerous committees to providing guidance and attending meetings with Kings Landing Corporation, your efforts continue to be essential to achieving our mandate as a living history museum.

Thank you to the Department of Tourism, Heritage and Culture for contributing \$750,000 towards infrastructure. Although challenges posed by COVID-19 and supply chains impacted progress, the funding is a worthy investment in our heritage.

Finally, I would also like to thank the Kings Landing Foundation for supporting the Slipp House renewal.

Sincerely,



**Al Walker**  
Chair, Board of Directors  
Kings Landing Corporation



## A MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

In this fiscal year, Kings Landing continued to action the 2019-2022 Corporate Strategy while engaging with the community to develop the 2023-2026 Corporate Strategic Plan. Kings Landing continued to grow visitation and invest in infrastructure with dedicated support from the Department of Tourism, Heritage and Culture.

Kings Landing invested in its people by appointing a Director of Visitor Experience, hiring a variety of Coordinators to support programming, and implementing new training for people leaders. Interim Co-Acting-CEOs Melanie Sloat and Amanda Stairs led Kings Landing during a search for the substantive CEO, a position I was privileged to accept in the fall of 2023.

The 2022-2023 Annual Report focuses on the objectives of the 2019-2022 Corporate Strategy and the Annual Plan, based on the Pillars and the Mandate Letter from the Province. It includes the 2022-2023 Annual Financial Audit, prepared by Teed Saunders Doyle & Company, Accountants & Advisors.

I am pleased to present the 2022-2023 Annual Report to the Board of Directors and passionate employees who make Kings Landing a wonderful place.

Sincerely,



**Travis Weber**  
CEO  
Kings Landing Corporation





# THE KINGS LANDING CORPORATION ACT

Government has provided the following direction to the Kings Landing Corporation Board and CEO to:

- Collect, preserve, and exhibit buildings and artifacts which are part of the Province's historical resources;
- Create, maintain, and operate an historical settlement in the Mactaquac Head Pond area;
- Stimulate the interest of the public in matters depicted in the historical settlement and in historic sites within the Mactaquac Head Pond area;
- Engage in and promote the production and sale of articles and materials related to the historical settlement; and,
- Carry on the business of operating a restaurant, dining-room, lounge or similar establishment or any combination thereof.

## MISSION STATEMENT

To create, maintain, and operate as a world-class attraction, an authentic living history museum that will attract, engage, enrich and educate the people of New Brunswick and visitors by showcasing the well-researched adaptation by people who lived along the St. John River through the 19th century.

## BOARD OF DIRECTORS

Kings Landing was established under the Kings Landing Corporation Act as a Crown corporation with a Board of Directors consisting of a chair, a vice-chair and not more than ten other directors whom the Lieutenant-Governor in Council appoints on the minister's recommendation.

### **The board of directors as of March 31, 2023, included:**

Al Walker – Chair  
Helen Jean Newman – Chair  
Janice Allen-Scott (April 2022 to March 2023)  
Bradley Cross  
Tommy Dixon  
Chantal Gauthier  
James Geneau (appointed May 2022)  
Kimberly Nash-McKinley  
Leah Schutte (appointed May 2022)  
Susan Knight  
Melanie Sloat, Acting Co-CEO, (Ex-officio) (appointed October 2022)  
Amanda Stairs, Acting Co-CEO, (Ex-officio) (appointed October 2022)

### **Others that served on the board of directors in 2022-2023 included:**

Kathy Miller-Zinn (appointed May 2022 / resigned July 2022)  
Mary Baruth, CEO, (Ex-officio) (resigned October 2022)



## HIGHLIGHTS FROM 2022-2023

In this 48<sup>th</sup> tourist season, Kings Landing continued to provide excellence in visitor experience with:

- 🌿 Family Day event that attracted 1,281 visitors and included partnerships with the Salvation Army, Fredericton Property Guys, and local food trucks;
- 🌿 Platinum Jubilee Celebration: God Save the Queen exhibit funded by the Department of Canadian Heritage;
- 🌿 Partnership with the Luxor Shriners of New Brunswick serving breakfast at Maple, the First Taste of Spring;
- 🌿 Culinary-themed events, including our traditional Thanksgiving and Christmas dinners, Easter and Mother's Day weekend brunches, NB Wild Blueberry Week dishes, and the new Moveable Feast and Sip & Shop events;
- 🌿 Partnership with the New Brunswick Public Library for the Pass to the Past program;
- 🌿 Introduction of Collection Thursdays social media posts that profiled artifacts and objects from the collection;
- 🌿 "Name the calves" contest garnered interest on social media;
- 🌿 Return to promotional events such as Rendez-Vous Canada, Saltscapes Expo, and the Garrison Night Market;
- 🌿 Community engagement open house and surveys to support the development of the 2023-2026 Corporate Strategic Plan.







## PRIORITY PILLARS

The Priority Pillars and Performance Targets identified in the 2019-2022 Corporate Strategy provide Kings Landing with goals for financial and community stewardship.

*Corporate Strategy Performance Target: 5% Reduction in administrative expenses*

**Update:** There was a 34% increase in administrative expenses over the year prior. This is attributed to COVID-19 and the reduction in services and visitation in 2021-2022.

### **PRIORITY PILLAR 1: INFRASTRUCTURE RENEWAL**

- Ongoing restoration and renovation of the Slipp House, for the Visiting Cousins overnight camp program.
- Started Interpretation Centre renovations to improve the safety and comfort of this staff support building.
- Completed restoration of the Lower Pokiok School, which will enhance programming opportunities.
- Preservation of the Lint Barn by installing a concrete footing and replacing sills.
- Installation of wayfinding signage throughout the village.
- Interventions focused on achieving energy efficiency, which included new windows, doors, and heat pumps at the Welcome Centre; water refilling stations at the Learning Centre and Slipp House; a heat pump at the King's Head Inn; and energy-efficient or solar lighting at select locations.

*Corporate Strategy Performance Target: \$3.12M Investment in Infrastructure over three years*

**Status:** Kings Landing received \$750,000 from the province for infrastructure projects in 2022-2023. Due to COVID-19 and supply chain challenges, Kings Landing was challenged to complete all identified projects and spent \$481,000 of the allotted funds. The remaining funds were carried forward to support the completion of the Slipp House project in the next fiscal year.



#### **From the 2019-2022 Corporate Strategy:**

The infrastructure at Kings Landing is over 40 years old and there has been a growing list of deferred maintenance that will require attention over the next three years. Kings Landing will also be investing with the help of government and other funding partners in infrastructure that will provide new revenue opportunities and better programming.

## PRIORITY PILLAR 2: EMPLOYEE RETENTION & ATTRACTION

### Hiring/Reclassification

- Appointed a Director of Visitor Experience
- Appointed an Assistant Director of Heritage Resources
- Hired a Livestock and Farming Technician
- Hired a Special Events Program Coordinator
- Hired an Education and Interpretation Coordinator
- Hired a Collections Coordinator
- Reclassified a Village Coordinator
- Reclassified a Costume and Craft Technician
- CEO departure (October 2022)
- Appointed two Acting Co-CEOs (from October 2022 to the remainder of the fiscal year)
- Received funding for over 20 students from Canada Summer Jobs, Young Canada Works, and the Department of Tourism, Heritage, and Culture.
- Participated in job fairs at St. Thomas University.

### Professional development

- Kings Landing employed a Human Resources consultant to analyze the program and recommend improvements.
- The Leadership team participated in a workshop targeting management attributes.
- Twenty-three staff took First Aid and CPR training.
- The Assistant Director of Heritage Resources took a University of Victoria Heritage Resource Management course.
- Select staff participated in French language training.
- Two staff trained to support the pay system transition from JD Edwards to Oracle Fusion.

Corporate Strategy Performance Target: Workforce turnover below 8% per year

**Status:** The workforce turnover was 5.5% (six employees).

## EMPLOYEE RETENTION & ATTRACTION



### From the 2019-2022 Corporate Strategy:

One of the greatest assets Kings Landing has is the people who work passionately to produce a fantastic experience. Over the next three years Kings Landing will:

A) establish a new workforce retention strategy to ensure that employees continue to find Kings Landing a viable place to work;

B) develop a training curriculum for employees to learn unique skills required to present the programming and;

C) attract talented employees.



## PRIORITY PILLAR 3: GREATER INTERPRETIVE MANDATE

Kings Landing built upon the success of shoulder season events and offered opportunities for repeat visits throughout the summer by renewing exhibits and interpretive themes over the weekends.

### Programming

- Family Day event that attracted 1,281 visitors and included partnerships with the Salvation Army, PropertyGuys.com Fredericton Woodstock Oromocto, and a local food truck.
- Partnership with the Luxor Shriners of New Brunswick serving breakfast at Maple, the First Taste of Spring.
- Continued successful Christmas by the Hearth programming.
- Full calendar of events with new themes for every weekend of the season.
- Opening of the Pokiok Superior School, expanding interpretation on the west side.
- Return in June of reenactment groups portraying the military history of New Brunswick, with a special free education day for classes.

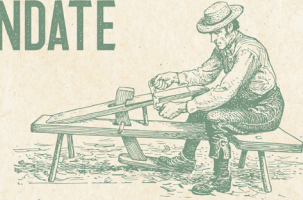
### Collections and research

- Collections team successfully “staged” historic buildings to reflect the period of 1853-1863.
- Research was conducted to support front-line staff with in-depth information on the families and history of the narrowed period of commemoration.
- The Indigenous gallery was moved to the Welcome Centre.
- Successful grant application for digitization of Indigenous baskets and containers. The funding will assist with digitizing collections and provide greater public access while improving monitoring.

### Exhibits

- Thematic exhibits were renewed weekly with fresh artefacts.
- Kings Landing successfully applied to the Department of Canadian Heritage to create a Platinum Jubilee exhibit honouring the late Queen Elizabeth II.
- The Tow Boat Exhibit: The Woodstock Fleet told the story of tow boats and other vessels that historically travelled the river.
- In honour of Emancipation Day, Kings Landing borrowed banners featuring prominent Black New Brunswickers from the University of New Brunswick Arts Centre.

## GREATER INTERPRETIVE MANDATE



### From the 2019-2022 Corporate Strategy:

Over the next three years, Kings Landing will continue to strive to provide quality interpretation. In order to do that, it will focus on delivering on its Mission more precisely and with greater attention to depth of interpretation. The objective shall be to adequately balance the expectations of a tourism attraction with the historical integrity of its interpretation.

*Corporate Strategy Performance Target: 85% guest satisfaction rating of "excellent" or "very good"*

**Update:** 92% of respondents indicated "excellent" or "very good" in 2022-23. Some comments include:

"What a beautiful spot for a walk at any time of the year. Kings Landing staff develop more interesting events and displays every year. It is worth an Ambassador pass each year to bring your family and friends, to get up close and personal with history and of course for stunning vistas. Every season is special. We love the Thanksgiving weekend. The Christmas season is magical! But one of my favourite times to go is in the early spring when you can watch the swallows building their nests under the eaves of the Perley store. Just gorgeous!!"

"Excellent experience. I loved the quality of the presentation of early life in New Brunswick. The presenters were passionate about their roles and I enjoyed our interactions. I can't wait to go back soon."

"Beautiful time of year in the fall. Gardens are all so wonderful that you can't take a bad photo. World class staff interaction and engagement. Sawmill was my favourite because the operator was excellent! Storytelling for hours and didn't want to leave."

"I've been coming to Kings Landing since I was a child. I've always enjoyed it. Now I bring my young family every year and it delights me to see them enjoy it as well."

"Today was our annual trip (we travel from Saint John). Kings Landing has upped its game. We saw more than we've ever seen, spoke with most of the staff who were delightful, and appreciated the multifaceted approach to education and engagement. My children love the wagon rides and I also had a delightful chat with "the Vicar of Kings Landing" who made us feel most welcome."

"Kings Landing holds a special place in my heart. My sincere thanks to everyone who is helping make Kings Landing thrive. You will certainly see us again."



PRIORITY PILLAR 4: STUDENT EDUCATION

Kings Landing continued to develop online programs and offer in-person educational programs.

Online programs:

- Lesson 14: All About Brown Bread
- Lesson 15: Herbs & Medicine
- Lesson 16: The A to Z of the Blueberry
- Lesson 17: Candle Making
- Lesson 18: A History Lesson on Outdoor Winter Recreation in the 1800s

In-person learning:


- Kings Landing welcomed 1,600 students and delivered 15 offsite presentations to school groups before they visited Kings Landing.
- Partnered with Kingsclear Community School on an experiential learning opportunity to support sustainable practices within the community, using gardening at Kings Landing.

*Corporate Strategy Performance Target: 75% growth in student participation*

**Update:** Except for the COVID-19 years\*, student participants tripled during the reporting period of the 2019-2022 Corporate Strategy.

Period	Participants
2018-2019 (Base year)	508
2019-2020	1,575
2020-2021*	290
2021-2022*	66
2022-2023	1,600

*5 years of student participation, by fiscal year.*



STUDENT  
EDUCATION

**From the 2019-2022 Corporate Strategy:**

Kings Landing has enjoyed a fantastic reputation as a center of excellence in experiential education. Over the years, there has been less engagement from educators to bring their students to visit and learn. Over the next three years, Kings Landing will seek to re-establish a strong partnership with educators to ensure many more students have access to a robust curriculum with an objective to bringing school children back.

## PRIORITY PILLAR 5: INCREMENTAL REVENUE CONTRIBUTION

Kings Landing further developed ways in 2022-2023 to increase revenue streams through:

- Expanded use of Eventbrite for events and programs.
- Increased wedding bookings.

### Food & Beverage Services

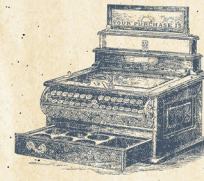
- The King's Head Inn menu returned to traditional fare.
- Piloted Easter Brunch at the King's Head Inn.
- Piloted a Sip & Shop event in May.
- Piloted a Mother's Day weekend with brunch at the King's Head Inn.
- Piloted the Moveable Feast, a unique dining experience that takes visitors through the site, sampling food at various locations.
- Live music returned to the pub in the afternoons and a Musical Soirée evening event was piloted at the King's Head Inn.

### Retail & The Kings Landing Collection

- In the Welcome Centre, the Peddler's Market profiled locally made goods and supplies including the "Kings Landing Collection," a selection of crafts and wares made on site.

Corporate Strategy Performance Target: 10% growth of self-generated revenues

**Update:** As the transition out of the pandemic continued in fiscal 2022-2023, self-generated revenue through admissions, retail, food services, and other sources increased by 23% over fiscal 2021-2022.



## INCREMENTAL REVENUE CONTRIBUTION

### From the 2019-2022 Corporate Strategy:

Over the last several years, Kings Landing has focused heavily on developing robust lines of business to help offset operational costs of producing the Kings Landing experience. Kings Landing will continue over the next three years to identify new and profitable ways to add value for guests while directly contributing to greater operational costs.



PRIORITY PILLAR 6: GUEST VISITATION GROWTH

Kings Landing’s regular season ran from June 8 to October 9, with the site open to the public from Wednesday to Sunday. Including shoulder season events and dinners, the total visitation for the fiscal year was 27,709.

*Corporate Strategy Performance Targets: 20% growth in guest visitation and 15% growth in group tour business*

**Update:** Kings Landing welcomed 27,709 visitors, increasing visitation by 3.5% over 2021-2022. 5,711 came from group tour visitors, an increase of 30% over 2021-2022.

Period	Visitation	Group Tour Visitation
2021-2022	26,782	1,328
2022-2022	27,709	5,711

*Annual visitation growth: 2021-2022 to 2022-2023*



**From the 2019-2022 Corporate Strategy:**  
Strong attendance and guest engagement is critical for the sustainability of Kings Landing. As has been over the course of the last decade, Kings Landing will continue to focus on a guest growth strategy built on quality programming worthy of repeat visitation and favorable recommendation. Our focus shall be on community and intercept marketing; aiming to empower our audience to help entice new guests both local and foreign.



# APPENDIX



## Independent Auditor's Report & 2022-2023 Financial Statements





---

## INDEPENDENT AUDITOR'S REPORT

---

To the Chairperson and Board of Directors of Kings Landing Corporation

### *Opinion*

We have audited the financial statements of Kings Landing Corporation (the Corporation), which comprise the statement of financial position as of March 31, 2023, and the statement of operations and change in accumulated surplus, changes in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

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

### *Emphasis of Matter*

We draw attention to Note 14 of the financial statements, which explains that certain comparative information presented for the year ended March 31, 2022 has been restated. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

(continues)

*Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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

*Teed Saunders Doyle*

Fredericton, New Brunswick  
December 8, 2023

CHARTERED PROFESSIONAL  
ACCOUNTANTS



---

FINANCIAL STATEMENTS

**KINGS LANDING CORPORATION**

3/31/2023

---



Kings Landing Corporation  
Statement of Financial Position  
As at 31 March

<b>FINANCIAL ASSETS</b>	<b>2023</b>	<b>2022</b> <i>Restated</i>
Cash and cash equivalents	\$ 2,196,853	\$ 1,305,658
Accounts receivable	230,815	780,380
	<u>2,427,668</u>	<u>2,086,038</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 3)	380,655	911,045
Working capital advance payable (Note 4)	200,000	200,000
Deferred revenue (Note 2)	18,400	10,082
Asset retirement obligation (Note 8)	968,610	940,398
	<u>1,567,665</u>	<u>2,061,525</u>
 <b>NET FINANCIAL ASSETS</b>	<u>860,003</u>	<u>24,513</u>
 <b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses	15,832	14,991
Inventories (Note 5)	83,878	78,423
Kings Landing Collection (Note 2)	1	1
Tangible capital assets (Note 7)	6,748,505	6,677,351
	<u>6,848,216</u>	<u>6,770,766</u>
<b>ACCUMULATED SURPLUS – Restated (Note 14)</b>	<u>\$ 7,708,219</u>	<u>\$ 6,795,279</u>

Contingent liabilities – Note 11

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

Approved by the Board

**X**  Chairperson  
 Director



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

	Budget 2023 (Note 10)	2023	2022 <i>Restated</i>
<b>REVENUE</b>			
Admissions	\$ 300,000	\$ 318,765	\$ 229,381
Gift Store	150,000	152,335	114,566
Food Services	490,000	346,154	244,617
Donations – Slipp House	0	0	45,000
Interpretation & education	8,500	10,244	0
Other Operating Revenue (Note 12)	60,000	91,354	113,218
	<u>1,008,500</u>	<u>918,852</u>	<u>746,782</u>
<b>GRANTS</b>			
Provincial – Operating	3,427,409	3,746,935	2,863,800
Provincial – Other (Note 4)	750,000	750,000	250,000
Provincial – Retro Pay	0	0	694,637
Employment Programs	45,000	78,493	83,947
	<u>4,222,409</u>	<u>4,575,428</u>	<u>3,892,384</u>
	<u>5,230,909</u>	<u>5,494,280</u>	<u>4,639,166</u>
<b>EXPENSES</b>			
Interpretation & education	1,599,655	1,536,156	1,289,981
Gift store	168,781	187,823	152,632
Maintenance	1,510,526	768,296	662,012
Security	86,753	84,926	129,727
Wardrobe	173,784	174,231	154,401
Collections management	168,041	231,802	152,015
Admissions	87,910	97,469	78,878
Public relations & marketing	192,280	116,895	162,153
Finance & administration	519,899	529,237	519,849
Food services	705,780	452,171	370,909
Amortization of tangible capital assets	0	374,122	382,548
Accretion expense	0	28,212	27,390
	<u>5,213,409</u>	<u>4,581,340</u>	<u>4,082,495</u>
<b>ANNUAL SURPLUS</b>	<u>17,500</u>	<u>912,940</u>	<u>556,671</u>
<b>ACCUMULATED SURPLUS, AS PREVIOUSLY REPORTED</b>		7,664,556	7,074,683
<b>ACCUMULATED SURPLUS, RESTATEMENT (NOTE 14)</b>		<u>(869,277)</u>	<u>(836,075)</u>
<b>ACCUMULATED SURPLUS, ADJUSTED BEGINNING OF YEAR</b>		6,795,279	6,238,608
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 7,708,219</u>	<u>\$ 6,795,279</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

	<b>Budget 2023</b> (Note 10)	<b>2023</b>	<b>2022</b> <i>Restated</i>
<b>Net Financial Assets at – beginning of year (as previously reported)</b>	\$ 964,911	\$ 964,911	\$ 474,546
<b>Net Financial Assets – restatement (Note 14)</b>		(940,398)	(913,008)
<b>Net Financial Assets/(Net Debt) at beginning of year (as restated)</b>	<b>964,911</b>	<b>24,513</b>	<b>(438,462)</b>
Annual (deficit) surplus	17,500	912,940	556,671
Acquisition of tangible capital assets		(445,276)	(481,541)
Amortization of tangible capital assets		374,122	382,548
Net change in prepaid expenses		(841)	4,251
Net change in inventory		(5,455)	1,046
<b>Increase in Net Financial Assets</b>	<b>982,411</b>	<b>835,490</b>	<b>462,975</b>
<b>Net Financial Assets at End of Year</b>	<b>\$ 982,411</b>	<b>\$ 860,003</b>	<b>\$ 24,513</b>

The accompanying notes are an integral part of these financial statements



**Kings Landing Corporation**  
**Notes to the Financial Statements**  
**31 March 2023**

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

<b>CASH PROVIDED BY (USED FOR):</b>	<b>2023</b>	<b>2022</b>
Operating Activities		<i>Restated</i>
Annual surplus (deficit)	\$ 912,940	\$ 556,671
Add items not involving cash:		
Amortization of tangible capital assets	374,122	382,548
(Decrease) Increase of non-cash components of working capital (Note 13)	49,409	(87,414)
	<u>1,336,471</u>	<u>851,805</u>
Capital Activities		
Acquisitions of tangible capital assets	<u>(445,276)</u>	<u>(481,541)</u>
<b>INCREASE (DECREASE) IN CASH</b>	<u>891,195</u>	<u>370,264</u>
Cash and cash equivalents, beginning of year	<u>1,305,658</u>	<u>935,394</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 2,196,853</u></u>	<u><u>\$ 1,305,658</u></u>

**Cash and cash equivalents are represented by**

	<b>2023</b>	<b>2022</b>
Cash	\$ 130,789	\$ 205,298
Short term Investments	<u>2,066,064</u>	<u>1,100,360</u>
	<u><u>\$ 2,196,853</u></u>	<u><u>\$ 1,305,658</u></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 of New Brunswick 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.

**Change in Accounting Policy**

Effective April 1, 2022, the Corporation has adopted Public Sector Accounting Standard PS 3280. Under this new standard, a liability for a legal obligation associated with the retirement of a tangible capital asset is now recognized when the asset is acquired. The cost base of the asset is increased by an amount equal to the liability and amortized along with the acquisition costs. For liabilities associated with assets that are not recognized the asset retirement costs would be expensed as there is no cost base of the underlying asset to which the asset retirement costs can be attached. The Corporation has adopted this standard using a modified retroactive application where prior periods have been restated using assumptions and information current at the effective date. Note 14 to these Consolidated Financial Statements discloses the impact of this change in accounting policy on prior periods.

The Corporation also adopted PS 1201 – Financial Statement Presentation, PS 2601 – Foreign Currency Translation and PS 3450 Financial Instruments. The adoption of these standards did not have a material impact on the Corporation.

**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 grants, capital grants, and other grants.

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.



## **Note 2 Continued**

### **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 \$11,368 (2022 – \$18,641) 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, 2023. 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**

Certain employees of Kings Landing Corporation are required to participate and receive pension benefits under the New Brunswick Public Service Pension Plan (NBPSPP). The NBPSPP is a multi-employer pension plan which targets a retirement benefit and is subject to legislation under the Provincial Pension Benefits Act and is subject to the Federal Income Tax Act. Employer contributions are paid and expensed by the Province on behalf of Kings Landing Corporation. Kings Landing Corporation is not responsible for any unfunded liability nor does it have access to any surplus with respect to its employee pensions. The Corporation's liability related to employee pensions is not included as part of the Corporation's budget and is recorded by the Province in its financial statements. Employee contributions are 7.5% of pensionable earnings up to the year's maximum pensionable earnings (YMPE) and 10.7% of pensionable earnings above the YMPE. As an employer, the Corporation is required to contribute 12.0% of pensionable earnings. Contributions are included in the Corporation's expenses and totaled \$157,041 (2022 – \$117,281).

**Note 2 Continued**

**Employee benefits**

Sick leave benefits are earned by employees of the Corporation at a rate of 1.25 days per month, to a maximum of 240 days. The estimate by management of potential usage, based on experience from the last 3 fiscal years, is \$19,033 (2022 – \$26,195).

Vacation leave benefits are earned by employees of the Corporation and calculated based on the biweekly salary per employee. The estimate by management of the liability, based on vacation days owing is \$114,420 (2022 – \$112,264).

**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 costs and liability associated with the plan is not the responsibility or obligation of Kings Landing Corporation and is recorded by the Province in its financial statements. Retirement allowance paid out \$0 (2022 – \$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.

**Asset Retirement Obligations**

A liability for asset retirement costs is recognized when there is a legal obligation to incur retirement costs for a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the costs can be made. The liability is based on information available at the financial statement date and is based on costs directly attributable to asset retirement activities. The carrying amount of the liability is reviewed at each financial statement date, and any revisions to the amount previously recognized are accounted for in the period in which the revisions are made. Costs are discounted where the amount and timing are known with certainty such that discounting would result in a more accurate measurement of the liability.

**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 asset retirement obligations, employee benefit liabilities, capitalized labour, 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.



**Note 2 Continued**

**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. Cost includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Amortization is calculated using declining balance rates of 5% to 20% or straight line over 10 to 30 years, which represent the estimated useful life of the assets. Assets under construction are not amortized until the asset is available for productive use. 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.

**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 are measured at amortized cost.
- c) Working capital advance is measured at historic cost.

**3. Accounts payable and accrued liabilities**

	2023	2022
Employee benefits	\$ 221,418	\$ 744,981
Other accounts payable and accrued liabilities	159,237	166,064
	<u>\$ 380,655</u>	<u>\$ 911,045</u>

#### **4. Related Party Transactions**

The Corporation is related to the Province and several of its departments and agencies.

Inter-entity transactions (transactions between commonly controlled entities) are recorded at the exchange amount when they are undertaken on similar terms and conditions as if the entities were dealing at arm's length. Services provided by these related entities during the year totalled \$198,039 (2022 – \$186,506). Services include work performed by the Department of Transportation and Infrastructure, payroll services, legal services, certain information technology services, licensing, translation, and other services.

Transactions with the Province of New Brunswick and entities under common control of the Province have occurred and been settled on normal trade terms, with the exception of the items noted below:

- The Corporation is economically dependent on the Province of New Brunswick. During the fiscal year, the Corporation received an operating grant of \$3,741,935 (2022 – \$2,863,800), a capital grant of \$750,000 (2022 – \$50,000), \$0 COVID relief funding (2022 – \$200,000), \$0 in Retro funding for CUPE Agreement (2022 – \$694,637), and employment program funding of \$17,196 (2022 – \$15,804). The Corporation submits capital projects to the Department of Tourism, Heritage and Culture (THC) for review annually.
- The Corporation has a demand loan owing to the Province of New Brunswick of \$200,000 (2022 – \$200,000) that is unsecured and non-interest bearing with no specific terms of repayment.
- Government agencies contribute certain other services, such as human resources, information technology services, and audit services at no cost.

#### **5. Inventories**

	<b>2023</b>	<b>2022</b>
Gift store	\$ 31,714	\$ 31,683
Fabrics	5,937	6,542
Food and liquor	39,508	33,631
Other	10,337	10,185
Subtotal	87,496	82,041
Less: Provision for obsolescence	(3,618)	(3,618)
	<u>\$ 83,878</u>	<u>\$ 78,423</u>

#### **6. Expenses by object**

	<b>2023</b>	<b>2022</b>
Amortization and accretion	\$ 402,334	\$ 409,938
Salaries, wages and benefits	3,172,178	2,846,191
Cost of goods sold	181,877	132,265
Other expenses	824,951	694,101
	<u>\$ 4,581,340</u>	<u>\$ 4,082,495</u>



**Kings Landing Corporation**  
**Notes to the Financial Statements**  
**31 March 2023**

**7. Tangible capital assets**

									2023	2022
	Land	Buildings	Site Services	Mobile Equipment	Computer Hardware/Software	Office Furniture	Bridge	Work in Process Buildings	Total	Total
Estimated Useful Life/Depreciation %		5% / 30 years	20 - 30 years	5% - 20%	20%	20%	10 years			
Cost										
Opening Cost	\$ 1	\$ 9,226,102	\$ 299,270	\$ 549,326	\$ 227,129	\$ 32,189	\$ 636,752	\$ 737,842	\$11,708,611	\$11,227,070
Additions net of disposal	-	198,576	-	16,690	729	-	-	229,281	445,276	481,541
Closing Cost	1	9,424,678	299,270	566,016	227,858	32,189	636,752	967,123	12,153,887	11,708,611
Accumulated Amortization										
Opening Accumulated Amortization	\$ -	\$ 4,001,262	\$ 123,158	\$ 360,828	\$ 165,385	\$ 30,415	\$ 350,212	\$ -	\$ 5,031,260	\$ 4,648,712
Amortization Expense	-	275,341	10,403	12,928	11,420	355	63,675	-	374,122	382,548
Closing Accumulated Amortization	-	4,276,603	133,561	373,756	176,805	30,770	413,887	-	5,405,382	5,031,260
Net Book Value	\$ 1	\$ 5,148,075	\$ 165,709	\$ 192,260	\$ 51,053	\$ 1,419	\$ 222,865	\$ 967,123	\$ 6,748,505	\$ 6,677,351

**8. Asset Retirement Obligation**

The Corporation recognizes a liability for legal obligations associated with the retirement of tangible capital assets. The obligations include the disposal of regulated materials such as asbestos, lead, the removal of petroleum storage tanks, and the decommissioning of infrastructure in environmentally sensitive areas. The associated assets include buildings, site services, and other infrastructure. The liability is based on management's best estimate. In 2023, a liability of \$968,610 has been recorded for these costs. Due to the uncertainty of time for the settlement of obligations no costs have been discounted.

	2023	2022
Asset retirement obligations beginning of year	\$ 940,398	\$ 913,008
Additions	28,212	27,390
Asset retirement obligations, end of year	\$ 968,610	\$ 940,398

As disclosed in Note 14, prior period Financial Statements have been restated to reflect the adoption of this new standard.

**9. 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:

- a) 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 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, 2023 is equal to the accounts receivable balance of \$230,815 (2022 - \$780,380). Credit risk is not disbursed as the Federal government comprises a significant portion of the accounts receivable balance.
- b) 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.
- c) 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.
- d) 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.

**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. Other operating revenue**

	2023	2022
Donations	\$ 117	\$ 1,300
General and interest	91,187	111,754
Rentals	50	164
	<u>\$ 91,354</u>	<u>\$ 113,218</u>



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

	2023	2022
Change in accounts receivable	\$ 549,565	\$ (679,280)
Change in prepaid expenses	(841)	4,251
Change in inventories	(5,455)	1,046
Change in accounts payable and accrued liabilities	(530,390)	555,913
Change in deferred revenue	8,318	3,266
Change in asset retirement obligation	28,212	27,390
	<u>\$ 49,409</u>	<u>\$ (87,414)</u>

**14. Prior Period Adjustment**

Effective 1 April 2022, the Corporation adopted Public Sector Accounting Standard PS 3280 – Asset Retirement Obligations as described in Note 2 and Note 8 of these Financial Statements. This resulted in a restatement of fiscal 2022 financial results as follows: an increase of \$940,398 in liabilities, \$71,121 in tangible capital assets and \$5,812 in amortization expenses and \$27,390 in accretion expense. Opening net financial assets were reduced by \$913,008 and opening accumulated surplus was reduced by \$836,075.

**15. Comparative figures**

Certain of the 2022 figures have been reclassified to conform with the presentation adopted for 2023.





KINGS LANDING

