

Niina Gates-Kass
Designer/Clown



Naomi Blackman
Visitor



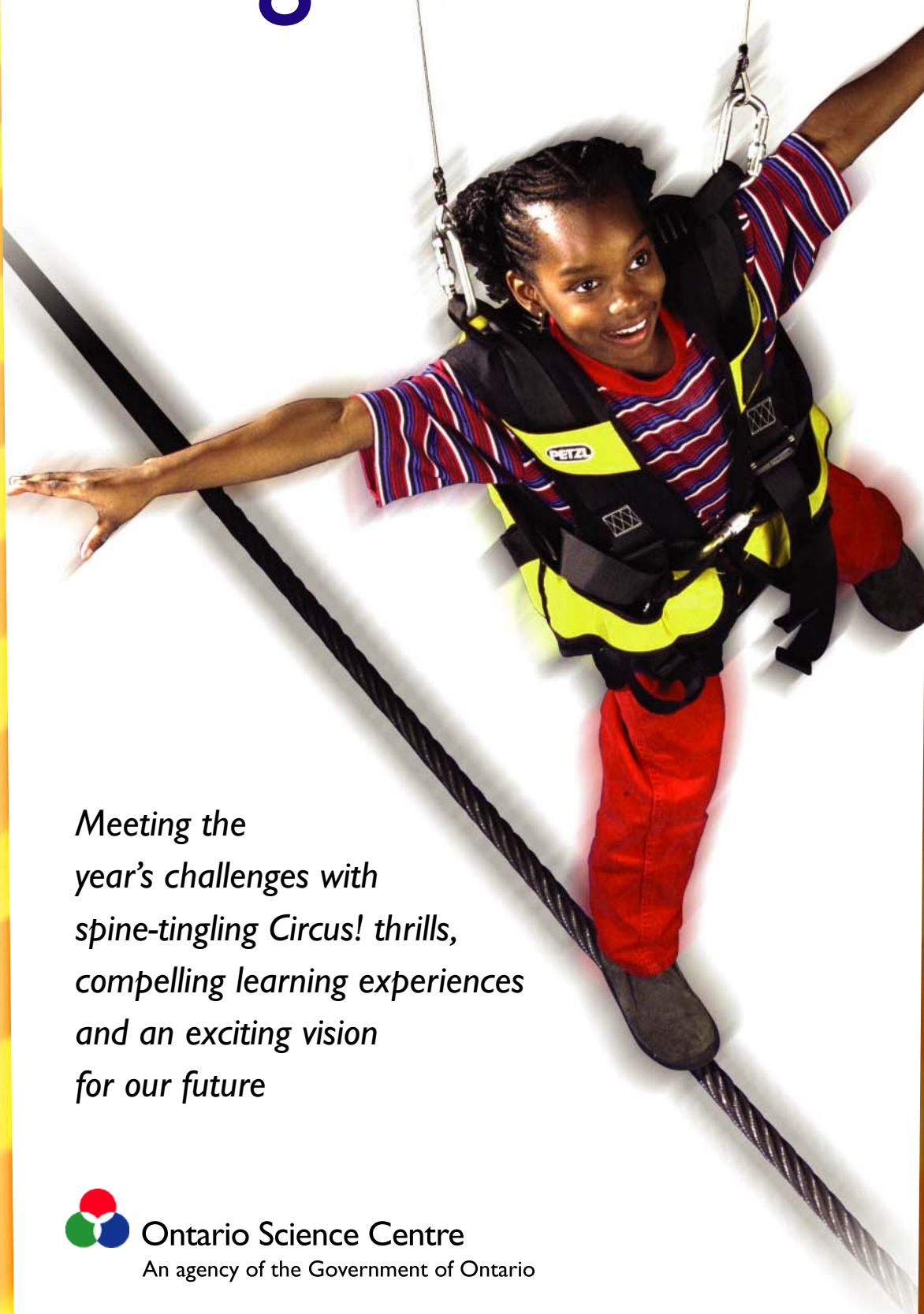
Bruno Piticco
Host



Yousha Peng
with Edmund
and Diane
Members



A High-Wire Year



*Meeting the
year's challenges with
spine-tingling Circus! thrills,
compelling learning experiences
and an exciting vision
for our future*



Ontario Science Centre

An agency of the Government of Ontario

Annual Report 2001-2002

David Sugarman
Researcher



Roxann Braithwaite-Grant
Marketing



Russell Zeid
Educator



Stacey Shannon
Metal Shop



TAKE A BOW!



Lesley Lewis
Director General
and CEO

2001-2002 HAS BEEN A CHALLENGING AND rewarding year at the Ontario Science Centre. Staff again demonstrated the capacity to delight, inform and challenge visitors – through our *Circus!* exhibition and the Cirque du Soleil™ film *Journey of Man...* through our Web site relaunch ...through an event featuring the astro-



Nancy Lockhart
Chair of the Board
of Trustees

navants from the STS-100 Mission...through Jane Goodall's visit and Roots and Shoots festival...through our Emetts exhibition and workshops during the December holiday season...through our school programs, camps and sleep-overs. We also embarked on multiple research initiatives to support our commitment to continuous improvement.

Our greatest challenge last year was the province-wide Ontario Public Service strike. The Centre closed for eight weeks, beginning in March Break: the busiest week, in one of the busiest months of our year. As a result, several key performance measures are down from last year. Building on our strong organizational culture, however, we maintained a respectful environment which served us well when we re-opened to the public.

Throughout the year, as well as fulfilling our commitment to current visitors, we created a compelling vision for the Science Centre of the twenty-first century. As the fiscal year drew to a close, we embarked on fundraising for the *Agents of Change* campaign to support our major project focused on innovation. This initiative will result in a remarkable renewal of 25% of our public space by 2005, as well as the creation of new experiences to equip visitors with tools that advance scientific literacy, encourage problem solving, ignite creativity and spark innovation.

The Science Centre is fuelled by passion – of our staff...our visitors...our members...and our partners. Together, we create an exciting environment of active learning.



N. Lockhart

Nancy Lockhart

Lesley Lewis

Lesley Lewis



Sara Poirier
Science Centre Astronomer

NASA

Bobby, Stephanie
and Spencer
Visitors



MAKING NEWS

CIRCUS!

CFTO

June 19, 2001

"I never knew that the circus has something to do with science – it is pretty amazing to me."

"My favourite thing is everything – I like everything."

GTA Today

June 22, 2001

"Circus! is a truly thrilling, hands-on exhibit at the Ontario Science Centre where children and adults can try all those amazing tricks and stunts performed at a real circus."

Breakfast Television

June 25, 2001

"It is a great exhibit, I love this one." – Jennifer Valyntine, BT

ON THE GIANT SCREEN

Toronto Star

October 14, 2001

The Human Body

"As always, the Science Centre has put up various exhibits, including the Human Body Hall, to complement the images and information on the big screen."

Toronto Sun

October 21, 2001

The Human Body

"All of these eye-opening images are made that much more impressive by the vastness of the Omnimax screen, which curves all around you in the theatre."

ONLINE

Netlifemagazine.com

January – February 2002

"My son and I reviewed this site in my very first column in 1997, and boy has it taken advantage of the new web technology!... The graphics and photos of the exhibits are wonderful."

IN CLASS

Windsor Star

March 1, 2001

"OSClub offers Grade 9 graduates the opportunity to spend three weeks in the summer exploring biotechnology, engineering, the environment, aerospace and telecommunications. OSClub's first year has been deemed a success in providing a unique experience for students. Plans for OSClub 2001 look just as exciting and challenging."

Design Engineering

April 1, 2001

"Hopefully, the Science Centre will help me find a prospective field of study before I move on to university. Already I have been exposed to the exciting fields of mechanical and electrical engineering, when we constructed a robot to compete in the Canada FIRST Robotics Competition. Regardless of what I'll be doing in the future, I know the experiences I have gained from the Science Centre will take me there." – Christopher Lee, Mississauga, Ont. (Student)

CFTO

STS-100 Press Conference

July 3, 2001

"I want to be an astronaut when I grow up – I find that what they have gone through is amazing." – Jackson Parell

Scarborough Mirror

August 15, 2001

"I learned a lot that I didn't know, like astrophysics," said Patrick Salmers, 9, who said he enjoyed his second year at the Science Centre's camp. "I like learning new things that I didn't know before, but that rarely happens."

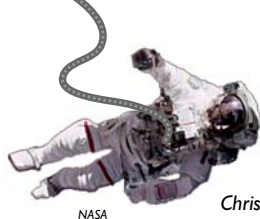
Zoran Miscevic,
Science Department and
part-time Circus! Strongman



Glenn Shaver
OMNIMAX
Theatre



Bob Hogan
Visitor Services



Chris Hadfield
Visiting Astronaut

2001-2002 YEAR AT A GLANCE

Attendance

- On track to reach 1,000,000 visitors prior to temporary closure due to province-wide OPSEU strike; actual visitation 896,666
- Reached another 1.3 million visitors through our travelling exhibitions and award-winning Web site
- Visitation during run of *Circus! Cirque du Soleil™ Journey of Man* – June 23 to March 12 – 10.8% higher than same period in previous year
- Community Access Program directed to individuals in need – attendance 56.4% higher than previous year

Science Education

- 230,000 children attended various educational programs
- 92% of School Boards across Ontario sent classes to the Ontario Science Centre
- Attendance for recreational programs including OSCamp and Sleepovers increased more than 12% over previous year

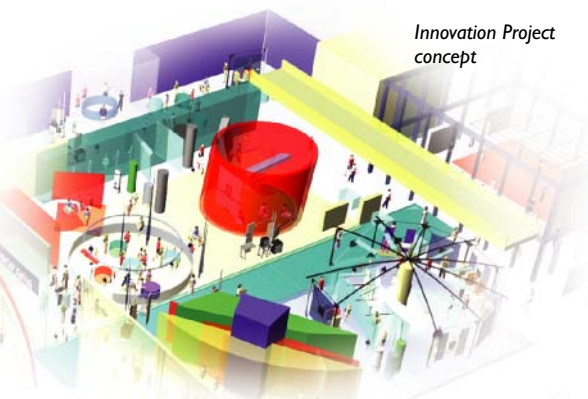


The Halloween Sleepover was a night of fun and spooky science

International Sales

- Ontario Science Centre travelling exhibitions, *Scream Machines* and *A Question of Truth*, rented to five other science centres across North America
- *Circus!* joins rental exhibitions on tour starting the summer of 2002
- In wake of September 11th, rental of *A Question of Truth* to Liberty Science Center featured an extensive and uniquely directed staff training to bring new focus to the exhibition and its content

- *Scream Machines* rental tour extended another year due to popularity
- Finalized major contract to build two travelling exhibitions for the US-based Materials Research Society (MRS)
- Received visitors from India, China, Inner Mongolia, Saudi Arabia, USA, Israel, interested in our consulting and exhibit construction services
- Our client list this past year extended to Panama City, Panama; Washington, DC; Edmonton, AB; Pittsburgh, PA; Selangor, Malaysia; Austin, TX; Mexico City, Mexico



Innovation Project concept

The Innovation Project

- Continued extensive planning and development for this major project focused on innovation that will deliver exciting new visitor experiences, foster a new relationship with visitors and spur significant architectural renewal
- Launched *Agents of Change*, a capital campaign required to match a \$15 million government grant commitment in support of The Innovation Project that will reposition and transform the Ontario Science Centre

Shoppers Drug Mart® OMNIMAX® Theatre

- Attendance 10% higher than previous year
- Films screened: *Circus du Soleil™ Journey of Man* (opened June 23); *SolarMax*; *The Human Body* (opened October 12); *Island of the Sharks*





2001-2002 YEAR AT A GLANCE

Adult and Corporate Learning Experiences

- One Small Step... corporate training program, delivered in Challenger Learning Centre, recognized for excellence in innovative learning, receiving OTTER award from Ontario Society for Training and Development
- Ontario Science Centre chosen # 7 of Top 100 event venues in Canada by Canadian Event Perspective publication

Memberships

- Record sales and renewals
- Over 10% of Science Centre and OMNIMAX Theatre visitation was by our valued members
- Revenue in July and August 32% higher than same period in previous year



Young Members Stephanie Weleschuk and Nayan Patel meet the STS-100 astronauts

Program Highlights

- National Wildlife Week Programs/ April 7-16
- Dr. J. Tuzo Wilson Geodetic Monument, unveiled May 3
- Visit of Canadian Astronaut Marc Garneau for a public presentation on his STS-97 mission to the International Space Station/ May 24
- Circus! programs/June 23 to March 12
- Visit of Canadian Astronaut Chris Hadfield and crew of shuttle STS-100 with public and VIP event/ July 3
- Jane Goodall lecture, Roots and Shoots festival, and the unveiling of the "Reason for Hope" Garden dedicated to Jane Goodall's mother, Vanne/ October 20
- Star Parties for public stargazing



- Emetts Workshops featured during Holiday Season
- Family Health Fair/ February 2-10
- National Engineering Week 2002/ March 2-10

Corporate and Individual Support

“The development of Canada's next generation of scientific innovators is crucial to our future. Intel Canada and the Ontario Science Centre are working together to ensure today's youth experience the fun and excitement of science, math and technology education.”
– Doug Cooper, Director of Marketing, Intel of Canada, Ltd.

- Corporate sponsors and major donors number more than 20, including new partners such as Visa, Imperial Oil, MD Robotics, WorldCom and Ontario Power Generation
- Intel returned to sponsor SciZone on our Web site. Other returning sponsors include Alcan, Atomic Energy of Canada, Bayer and DuPont

Web Site

- Award-winning site revamped and named one of Top 200 of 2001 by Sympatico NetLife Magazine
- Produced “Where's the Science?” in partnership with news portal Canoe.ca
- 75,000 visitors monthly – and growing

www.
Ontario
Science
Centre.ca



Market research

- Conducted 15 research projects to assist in strategic planning, competitive assessment, program evaluation and optimization
- Synopsis of Usage & Attitude Study presented at 3rd Science Centre World Congress in Canberra, Australia

World-renowned anthropologist Dr. Jane Goodall, left, meets Supporting Members Elizabeth and son Michael Schad.

Doug Gray
Wood Shop

Natalie Das
International
Sales

Anne Longmore
Marketing



BALANCING THIS YEAR'S ACHIEVEMENTS...

Circus! poster

CIRCUS!

Covering 700 square metres (7500 square feet) and encompassing 23 multi-station exhibits, this hugely successful interactive extravaganza boosted total Science Centre attendance during its run by 10.8% over the same period during the previous year.

The exhibition encouraged visitors to try a multitude of thrilling and thought-provoking experiences. Visitors

could walk a high wire 2.7 metres (nine feet) above the ground to experience the physics of balance or turn somersaults and flips over the heads of the crowd while safely strapped into a special harness. Back on the ground, visitors could dress up as their favourite circus character or test their flexibility by squeezing into a contortionist's box.

Innovative marketing strategies – which linked the exhibition with the large-format film *Cirque du Soleil™ Journey of Man*, interactive programs and online activities to create a multi-layered experience – helped drive attendance and contributed to the overwhelming success of *Circus!*



It was a Circus! in the Science Centre's Great Hall.

ON TOUR

Circus! was developed, designed and fabricated on-site by Science Centre staff and sponsored in Toronto by Visa Canada and WorldCom Canada. The exhibition folded up its tent and hit the road in May 2002. Our International Sales department is managing the four-year tour that will see the exhibition rented to science centres and museums across North America.

In 2001/02, *Scream Machines* and *A Question of Truth* continued their tour across North America. As we build more exhibitions and involve ourselves in new, innovative projects, the Ontario Science Centre continues to grow its reputation as a world leader in the international science centre community as well as ensure a strong, ongoing revenue stream. For more than 15 years, our in-house team has researched, designed, developed and constructed exhibits for science centres in the United Kingdom, Asia, the Middle East, the United States and Canada.

IN CONSTRUCTION

Candy Unwrapped

This new travelling exhibition – premiering at the Science Centre in October 2002 and then rented for four years – will expose the science of sweets and sour, with visitors discovering the surprising biology, chemistry, physiology and psychology of candy at 17 interactive exhibits.





... WITH OUR VISION FOR THE FUTURE

THE INNOVATION PROJECT

Our goal is nothing less than building a new generation of innovators – confident, creative risk takers who are curious, scientifically literate and devoted to lifelong learning. Working with each other and with the Science Centre, the members of this new generation and the broader spectrum of the general public will develop the skills and attitudes Canada and Ontario need to meet the challenges of the 21st century.

And through the course of 2001-02, plans for **The Innovation Project** were developed and refined to guide the Science Centre through three major transformations:

- Transformation of our relationships with visitors, and the scientific, educational and corporate communities with new partnerships and deeper involvement
- Transformation of the Centre's existing exhibits, with renewal or replacement of 25% of our public space
- Transformation of the building, through significant architectural improvements

There will be seven major new areas, including:

• **The Garage**, where visitors work in teams to grapple with problems and build prototypes using unexpected materials.

• **Grand Central Inspiration**, an inspiring, light-filled public space filled with iconic experiences blending art and science.

• **KidSpark**, where kids under eight can develop early innovation skills through play and exploration.



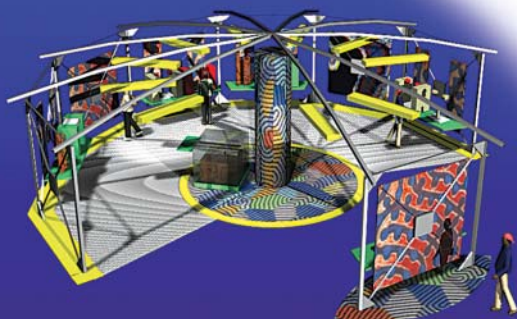
• **The Hot Zone**, which will take visitors behind current science headlines by exploring issues such as human cloning with a variety of guest speakers, Webcasts and satellite links to breaking science news and events.

The Ontario government has expressed strong support for this initiative by committing \$15 million from its SuperBuild Program, to match funding that the Centre will raise from other sources in the Agents of Change capital campaign.

WORK IN PROGRESS

An Exhibition about Materials Science

In July 2001, the Ontario Science Centre finalized a contract with the US-based Materials Research Society (MRS) to create two travelling exhibitions, educational programs, and an interactive Web site to explore the latest developments in materials science. The exhibition will offer intriguing experiences that let visitors discover everything from the unique properties of everyday stuff to the cutting edge materials of the future. The exhibition will premiere at the Science Centre in the summer of 2003 before starting its tour.





THE GREATEST SHOW IN SCHOOL: Educational Programs

Ontario Science Centre educational programs enriched the lives of more than 230,000 students and young people in 2001/02. These programs offer a diverse array of educational experiences to kids of all ages – from preschoolers to teens – in our continuing mission to extend learning beyond the traditional classroom.



• School programs

Our 36 curriculum-correlated programs for Canadian school groups, many offered in both English and French, made science and technology fascinating and fun for 200,000 students, kindergarten to senior high school, in 2001/02. This past year marked the third year of sponsorship by Atomic Energy of Canada Limited.

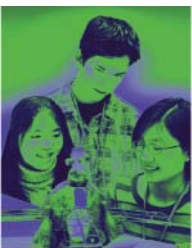
“AECL has been a proud sponsor of School Programs at the Ontario Science Centre since 1999. For many years, AECL has designed and implemented its own educational programs on nuclear technology with the aim of increasing science literacy. We have found that our partnership with the OSC complements these programs and even bolsters them.”

– David Lisle, Director, Public Outreach,
Atomic Energy of Canada Limited



• Science School

This unique semester-long credit program for senior high school students celebrated its 20th anniversary in 2001. The school operates in partnership with the Toronto District School Board and the Toronto Catholic District School Board. Supported for the fifth consecutive year by Alcan Inc., the Science School welcomed Ontario students from as far away as Ottawa, Alexandria, Sarnia and Barry's Bay in 2001/02.



• OSClub

In March 2002, this innovative program for students, teachers and mentors received honourable mention in the Conference Board of Canada “Partners in Education” award for its success in exploring new ways of teaching and learning science, math and technology. OSClub was developed by the Ontario Science Centre in partnership with the Toronto District School Board, with seed funding from the Lucent Technologies Foundation.

• **Recreational programs**, such as camps and sleepovers, also provided fun and unique learning experiences.

OSCamp completely sold out last year:

“Lots of smiles – the children loved it!” said one parent.



“Challenger helped develop a great team attitude in my classroom. The program is impeccable. The students were exposed to the curriculum connections in a way no classroom could ever duplicate.”

– Grade 8 teacher on the
Challenger Learning Centre
space mission simulation
school program

“You have so much to offer. Badges can be earned by doing things at exhibits. But programs were fun and a bonus!”

– Cathy Hellerman, 1st Heidelberg Brownies, Heidelberg,
Ontario, who enjoyed her sleepover at the Centre

Derek Fry
President of Visa
Canada Association
VIP Opening of
Circus! Exhibition



Paul Robinson
Lucent Technologies
OSClub Mentor



Leanne, Joyce and
Annie, OSClub
Students

WORKING WITH A NET: Our Sponsors, Donors and Friends

The valuable support of our sponsors and donors is vital to the Ontario Science Centre. Their contributions and expertise help us meet our commitments to our visitors.

CORPORATE PARTNERS

The Ontario Science Centre gratefully acknowledges the generosity of its 2001/02 corporate sponsors and donors:



Astronaut Chris Hadfield and Dr. Robert G. Miller of Janssen-Ortho Inc. at corporate VIP event in July.

Lucent Technologies Canada
Shoppers Drug Mart and Imasco Limited
Visa Canada Association
WorldCom Canada Ltd.

OSClub Sponsor
Shoppers Drug Mart® OMNIMAX® Theatre Sponsor
Circus! Exhibition & Cirque du Soleil™ Journey of Man
Film Sponsor
Circus! Exhibition & Cirque du Soleil™ Journey of Man
Film Sponsor

Alcan Inc.
Atomic Energy of Canada Ltd. (AECL)
Bayer Inc.
Coca-Cola Bottling Company
DuPont Canada Inc.
Imperial Oil Charitable Foundation
Intel of Canada, Ltd.
Janssen-Ortho Inc.
MD Robotics
Microsoft Canada Co.
Ontario Power Generation Inc.
Tetra Pak Canada Inc.

Science School Sponsor
School Programs Sponsor
Human Body Exhibition & Family Health Fair Sponsor
Exclusive Soft Drink Supplier
SolarMax Film Sponsor;
Investor in Research For
Garage Innovation Experience
School Programs Donor
Web site Sponsor/SciZone area
Donor of Simulation Machines
Space Station Film Sponsor
Information Highway Exhibition
Sponsor
Winter '02 Electricity Demo & March Break Sponsor;
Education Programs Donor
Papermaking Demo Sponsor

Compaq Canada Corp.
Energizer Canada Inc.
Fuji Photo Film Canada Inc.
Mill Creek Seed Co.
Professional Engineers Ontario

Information Highway Exhibition & Learning Centres
In-kind Sponsor
The Home Depot® Presents *Olympic Glory* Film Sponsor
Exclusive Photo Film Supplier
Bird Seed & Feeders Supplier
The Living Earth Exhibition Sponsor



“Visa co-sponsored the highly innovative *Circus!* exhibition and the OMNIMAX film, *Journey of Man*, at the Ontario Science Centre in 2001/02. We are very pleased with the results of the sponsorship – confirmed by in-depth sponsorship research. The Science Centre staff was creative in their approach to promoting and leveraging the exhibition and our partnership, and we look forward to exploring other opportunities with them.”
– Derek Fry, President, Visa Canada Association



Three generations of
the Munro family
Supporting Members



DONORS

The Ontario Science Centre's mission to open minds to science and technology through innovative exhibits, programs and events is enabled, in part, by the support we receive from our Annual Donors. We thank all individuals and corporations below for their generous support:

CONTINUING FRIENDS & DONORS IN-KIND

Aramark Canada Ltd.
Mastermind Educational
Robert Ehrenfeld
Stanley Todorow Estate
The Seagram Company Ltd.

Supporting Member Ellen Lin-Woo (centre), with Jackie Ma and Joseph Lin, enjoys a hands-on experience with an AECL scientist at a donor event in January.



\$1000 and above

Rosemary Hall & Ken Sloan^{ooo}
Labatt Brewing Company Ltd.^o
Lesley V. Lewis
Nancy Lockhart & Murray Frum^o
Dr. Robert G. Miller^{*}
Cameran Mirza
Shoppers Drug Mart^o

\$500 - \$999

Emily & Bruce Burgetz^o
Peggy Mulligan
Toyota Canada Inc.^o
Anonymous^{*}

\$250 - \$499

Anton Kim^{*}
Suzanne McQueen^{*}
Sean O'Farrell^{*}
Robert & Elizabeth Schadt^{*}
Helen Janca Scott

^o Community Access
Program Donor

^{*} Supporting Member

^{ooo} Seat Sale Donor

\$80 - \$249

Ron Baker & Family^{*}
Thomas Connell, Sara Griffiths & Family^{*}
Dr. Tim Cook & Family^{*}
Philip Corvetti^{*}
Cvetkovic-Lorinczi Family^{*}
Carol DelZotto^{*}
Steve DeNicola^{*}
Anonymous^{*}
Ted Duncan^{*}
Jeremy Ein^{*}
Barbara & Lawrence Foerster^{*}
Dr. D. Ray Freebury^{*}
Adair Hope^{*}
Robert Hudyma^{*}
Christina & Leo Lau^{*}
Corinna Lee
Elizabeth Lorimer

Susan Lum
The Morishita Family^{*}
Sonya Munro & Brock Munro^{*}
Nicole Pearson
Ron Philipp
Jeff Pocock
Konrad Radacz
C. Ricketts & S. Page^{*}
Gretta Riddell-Dixon
Mark Ritchie^{*}
Andre Roberge
Anonymous^{*}
Lene Rosenmeier & Chris Currie^{*}
Smit Family^{*}
Dr. Linda Stirk & Dr. David Cole^{*}
David & Almut Sweet^{*}
Dr. Andy Tsang & Family^{*}
Janet Yanchula

“Through our partnership with the Ontario Science Centre, Tetra Pak has succeeded in reaching a large number of parents, students and the general public with messages concerning the positive environmental characteristics of our packaging products – particularly the fact that they are recyclable. We are very pleased with our association with this longstanding, respected educational institution.”

– Evelyn Watson, President & CEO, Tetra Pak Canada Inc.



BOARD OF TRUSTEES as at March 31, 2002

NAME	FIRST APPOINTMENT DATE	EXPIRY DATE OF CURRENT TERM
<i>Chair</i> , Nancy Lockhart	January 30, 1998	January 29, 2004
<i>Vice-Chair</i> , Howard Lichtman	May 14, 1997	May 13, 2003
Angela Balan	June 10, 1998	June 9, 2004
Nancy Birnbaum	April 29, 1999	April 28, 2002
Robert John Chant	June 13, 2001	June 12, 2004
Bill Daverne	October 8, 1997	March 20, 2004
Roy Graydon	December 30, 1999	December 29, 2002
Rosemary Hall	April 29, 1999	April 28, 2002
Anton Kim	April 29, 1999	April 28, 2002
Teri Kirk	June 29, 1998	June 28, 2004
Arthur Konviser	May 14, 1997	May 13, 2003
Bob McDonald	October 8, 1997	March 20, 2004
Cameron Mirza	October 8, 1997	March 20, 2004
Terry Mosey	June 13, 2001	June 12, 2004
Margaret Mulligan	December 30, 1999	December 29, 2002
Barbara Murck	June 17, 1998	June 15, 2004
Jeff Pocock	June 10, 1998	June 26, 2004
Gordon Stromberg	July 31, 2001	July 30, 2004
Stephen Trumper	June 24, 1993	June 23, 2002

PUBLIC SECTOR DISCLOSURE ACT

This statement is provided under the Public Sector Salary Disclosure Act. The following employee of the Ontario Science Centre was paid a salary of \$100,000 or more in 2001.

Employee	Salary	Taxable Benefits
Lewis, Lesley Director General and CEO	\$136,122	\$324

Even Our Annual Report's A Star!



Bend this report into a star shape and it will hold up the Yellow Pages. The folds increase the surface area to spread the weight. Architects and engineers use the same principles to increase the strength of bridges and buildings.

Linda Sword
Host

The Centennial Centre of Science and Technology

FINANCIAL STATEMENTS

For the Year Ended March 31, 2002



Ontario Science Centre

An agency of the Government of Ontario

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

Management and the Board of Trustees of the Ontario Science Centre are responsible for the financial statements and all other information presented in this Annual Report. The financial statements have been prepared by Management in accordance with generally accepted Canadian accounting principles, and, where appropriate, include amounts based on Management's best estimates and judgements.

The Ontario Science Centre is dedicated to the highest standards of integrity in its business. To safeguard assets, the Centre has a sound set of internal financial controls and procedures that balance benefits and costs. Management has developed and maintains financial and management controls, information systems and management practices to provide reasonable assurance of the reliability of financial information.

The Board of Trustees meets quarterly to oversee the financial activities of the Centre, including an annual review of the financial statements and the Provincial Auditor's report.

The financial statements have been examined by the Provincial Auditor. The Provincial Auditor's responsibility is to express an opinion on whether the financial statements are fairly presented in accordance with generally accepted accounting principles. The Auditor's Report outlines the scope of the Auditor's examination and opinion.



Lesley Lewis
Director General and CEO



Grant Troop
Director
Business Planning and Operations

July 4, 2002

AUDITOR'S REPORT

To the Board of Trustees of the Centennial Centre of Science and Technology and to the Minister of Tourism, Culture and Recreation

I have audited the balance sheet of The Centennial Centre of Science and Technology as at March 31, 2002 and the statements of operations, changes in equity, and cash flows for the year then ended. These financial statements are the responsibility of the Centre's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



J.R. McCarter, CA
Assistant Provincial Auditor

Toronto, Ontario
July 4, 2002

THE CENTENNIAL CENTRE OF SCIENCE AND TECHNOLOGY

Balance Sheet as at March 31, 2002

ASSETS	2002	2001
	(\$000s)	(\$000s)
Current		
Cash and short-term investments	4,201	5,322
Accounts receivable	127	864
Prepaid expenses	439	149
Inventory of general stores and small tools	113	138
Work-in-progress	—	33
	<u>4,880</u>	<u>6,506</u>
Capital Assets (Note 4)	<u>16,338</u>	<u>16,836</u>
	<u>21,218</u>	<u>23,342</u>

LIABILITIES, EQUITY AND FUND BALANCES

Current Liabilities		
Accounts payable and accrued liabilities	1,108	2,268
Deferred income	2,235	1,692
Due to the Province of Ontario	1,434	9
Loans Payable [Note 9(b)]	167	767
	<u>4,944</u>	<u>4,736</u>
Long-Term Liabilities		
Loan Payable to Province of Ontario [Note 9(a)]	5,300	5,300
Loan Payable [Note 9(b)]	497	664
	<u>5,797</u>	<u>5,964</u>
Deferred Capital Contributions (Note 5)	<u>7,599</u>	<u>8,567</u>
Equity		
Invested in Capital Assets (Note 6)	8,739	8,269
Deficit	(6,266)	(4,586)
	<u>2,473</u>	<u>3,683</u>
Special Purpose Fund (Note 3)		
Fund balance	<u>405</u>	<u>392</u>
	<u>21,218</u>	<u>23,342</u>

See accompanying notes to financial statements.

Approved on behalf of the Centre:



Trustee



Trustee

THE CENTENNIAL CENTRE OF SCIENCE AND TECHNOLOGY

Statement of Operations for the Year Ended March 31, 2002

	2002	2001
	(\$000s)	(\$000s)
Revenue		
Province of Ontario		
Operating grant	11,191	11,154
Occupancy grant [Note 11(b)]	3,968	3,967
Other grants	981	963
Fees		
General Admission and Parking	3,355	3,685
Revenue from Ancillary Operations (Schedule 1)	8,572	11,075
	<u>28,067</u>	<u>30,844</u>
Expenses		
General Operations		
Exhibits and Programs	1,192	2,565
Marketing and Advertising	1,294	1,068
Visitor Services	3,506	3,200
Operations	5,055	4,731
Program Management	3,183	3,459
Administration	2,229	2,248
Research and Development (Note 12)	1,013	781
Occupancy Costs [Note 11(b)]	3,703	3,719
Expenses from Ancillary Operations (Schedule 1)	6,402	8,197
	<u>27,577</u>	<u>29,968</u>
Excess of Revenue over Expenses before amortization	490	876
Amortization of deferred capital contribution (Note 5)	968	1,086
Amortization Expense	<u>(2,655)</u>	<u>(3,274)</u>
Net loss for the year	<u><u>(1,197)</u></u>	<u><u>(1,312)</u></u>

See accompanying notes to financial statements.

THE CENTENNIAL CENTRE OF SCIENCE AND TECHNOLOGY

Statement of Changes in Equity for the Year Ended March 31, 2002

	2002			2001
	(\$000s)			(\$000s)
	Equity Invested in Capital Assets	Deficit from Operations	Total	Total
Balance, beginning of year	8,269	(4,586)	3,683	5,014
Capital assets purchased	2,157	(2,157)	—	—
Net loss for the year	(1,687)	490	(1,197)	(1,312)
Allocation of investment income to Special Purpose Fund	—	(13)	(13)	(19)
Balance, end of year	8,739	(6,266)	2,473	3,683

See accompanying notes to financial statements.

Statement of Cash Flows for the Year Ended March 31, 2002

	2002	2001
	(\$000s)	(\$000s)
Cash and short-term investments, beginning of year	5,322	5,230
Cash Flows from Operating Activities		
Net loss for the year	(1,197)	(1,312)
Adjustments against net loss not requiring an outlay of cash		
Amortization of capital assets	2,655	3,274
Amortization of deferred capital contribution	(968)	(1,086)
	490	876
Net change in non-cash working capital	713	122
Net cash generated through operating activities	1,203	998
Cash Flow from Investing and Financing Activities		
Capital Assets acquisitions	(2,157)	(139)
Reduction in long-term debt	—	(600)
Repayment of Loans	(167)	(167)
Net cash used in investing and financing activities	(2,324)	(906)
Cash and short-term investments, end of year	4,201	5,322

See accompanying notes to financial statements.

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Schedule of Revenue and Expenses from Ancillary Operations for the Year Ended March 31, 2002

Schedule I

	2002			2001		
	(\$000s)			(\$000s)		
	Revenue	Expenses	Net	Revenue	Expenses	Net
School Admissions/Programs	1,172	1,277	(105)	1,221	1,304	(83)
Camps	728	850	(122)	605	828	(223)
Facility Rentals	449	294	155	572	304	268
OMNIMAX®	1,795	1,800	(5)	1,755	1,911	(156)
International Sales and Rentals	1,696	1,266	430	3,256	2,473	783
Sponsorship/Donations	1,161	556	605	1,646	1,006	640
Memberships	646	323	323	645	295	350
Concessions	531	1	530	632	1	631
Interest	330	33	297	601	37	564
Special Purpose Fund	13	—	13	19	—	19
Other	51	2	49	123	38	85
TOTALS	8,572	6,402	2,170	11,075	8,197	2,878

See accompanying notes to financial statements.

Notes to Financial Statements March 31, 2002

1. NATURE OF THE BUSINESS

The Centennial Centre of Science and Technology, commonly known as the Ontario Science Centre, was established under *The Centennial Centre of Science and Technology Act*. The Centre's mission is 'To delight, inform and challenge visitors through engaging and thought-provoking experiences in science and technology'. The general operations of the Centre are supported by operating grants from the Province, by admission fees and by other revenues earned through ancillary business operations. Revenues and expenses related to ancillary business operations are reported on Schedule I of the Financial Statements.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements of the Centre have been prepared in accordance with Canadian generally accepted accounting principles.

(b) Inventory

Inventory is valued at the lower of cost or replacement cost.

(c) Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is calculated using the straight-line method over the estimated useful lives of the assets as indicated below:

Omnimax Theatre Leasehold Improvements	20 years
Leasehold Improvements	10 years
Exhibits	10 years
Exhibits - Rentals	4 years
Furniture, Fixtures and Equipment	5 years
Computer Equipment	3 years

The land on which the Centre is located is leased from the City of Toronto for \$1 per annum on a 99-year lease which commenced July 1, 1965. The Ontario Realty Corporation owns the buildings which house the Centre.

(d) Pledges

Pledges to donate funds are included in income when received.

(e) Revenue Recognition

Revenue on exhibits manufactured for sale is recognized on a percentage of completion basis.

3. SPECIAL PURPOSE FUND ADMINISTRATION

The use of certain sources of revenue may be restricted for a specific purpose by external contributors. The Board of Trustees can spend any funds not otherwise restricted by external contributors for any purpose, provided the expenditures promote the objectives of the Centre.

As at March 31, 2002, \$67,320 (2001 – \$67,320) of the special purpose fund balance was restricted by external contributors for use in supported activities.

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4. CAPITAL ASSETS

Capital assets consists of the following:

	2002			2001
	(\$000s)			(\$000s)
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Exhibits	16,111	13,955	2,156	2,624
Exhibits – Rentals	3,111	745	2,366	1,013
Omnimax Theatre Leasehold Improvements	14,560	4,368	10,192	10,920
Leasehold Improvements	4,506	3,018	1,488	1,938
Furniture, Fixtures and Equipment	972	873	99	158
Computer Equipment	2,184	2,147	37	183
	<u>41,444</u>	<u>25,106</u>	<u>16,338</u>	<u>16,836</u>

5. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the amount of donations and government grants received for acquiring capital assets. Revenue will be recognized on the same basis as the acquired capital assets are amortized, in order to properly match revenues with costs. The changes in the deferred contributions balance are as follows:

	2002	2001
	(\$000s)	(\$000s)
Balance, beginning of year	8,567	9,653
Amortization of deferred capital contributions	(968)	(1,086)
Balance, end of year	<u>7,599</u>	<u>8,567</u>

6. EQUITY INVESTED IN CAPITAL ASSETS

Equity invested in capital assets represents the following:

	2002	2001
	(\$000s)	(\$000s)
Capital assets, net	16,338	16,836
Less amount financed by deferred capital contributions	<u>(7,599)</u>	<u>(8,567)</u>
	<u>8,739</u>	<u>8,269</u>

7. PROPERTY MAINTENANCE AND REPAIRS

Certain maintenance and repair expenses of the Centre are absorbed by the Province of Ontario and are not included in the Statement of Operations.

8. PENSION PLAN

The Centre provides pension benefits for substantially all its permanent employees through participation in the Public Service Pension Fund (PSPF) and the Ontario Public Service Employees' Union Pension Fund (OPSEU Pension Fund) which are multiemployer defined benefit plans established by the Province of Ontario. These plans are accounted for as defined contribution plans as the Centre has insufficient information to apply defined benefit plan accounting to these pension plans. Accordingly, the Centre's share of contributions to the plans for the year was \$724,000 (2001 – \$682,000). These contributions have been included in salaries and employee benefits as disclosed in note 10.

In addition, the cost of post-retirement non-pension benefits were paid by MBS and are not included in the Statement of Operations.

9. LOANS PAYABLE

(a) Loan from Province of Ontario

The Province made an interest-free repayable loan of \$5,300,000 to the Centre to construct the Omnimax Theatre. The Centre shall repay this loan by annual payments commencing in 1999/2000 in amounts equal to 50% of the average annual profits received by the Centre from the Omnimax Theatre during the previous two fiscal years, if any. Such annual payments shall continue until the principal of the loan is repaid.

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(b) Food Service Agreement

The Centre has entered into a ten-year agreement with a food services company to provide food services until May 31, 2006. The company contributed approximately \$1.5 million to the Centre for the construction of new restaurants and other food service related facilities, as stipulated under the terms of the agreement.

Under the terms of the agreement, the annual net profit from the food and beverage operations managed by the company are to be shared between the company and the Centre in accordance with a formula in the agreement. The agreement specifies certain fixed payments to the company as follows: (1) an annual management fee, starting at \$130,000 in 1996/97, reduced by \$10,000 for each of the following nine years; and (2) a refund of the \$1.5 million contribution without interest in nine equal installments, which started in 1997/98.

10. REVENUE AND EXPENSES

During the year revenue and expenses were affected by the closure of the Centre from March 13 to March 31, 2002 due to the OPSEU strike.

Expenses are reported in the Statement of Operations on a functional basis. Total expenses by type are as follows:

	2002	2001
	(\$000s)	(\$000s)
Salaries and Employee Benefits	15,509	16,447
Other Direct Operating Expenses	12,068	13,521
	<u>27,577</u>	<u>29,968</u>

11. COMMITMENTS AND CONTINGENCIES

(a) Imax Dome Projection System Maintenance Agreement

The Centre has a ten-year agreement expiring in December 2006, with an automatic renewal for one further ten-year term, for leasing and servicing of an Imax Dome Projection System. The agreement commits the Centre to: (1) monthly rental payments to be calculated in accordance with a formula based on admission revenue; and (2) an annual maintenance fee of \$66,000 (adjusted to reflect changes in the Consumer Price Index for Toronto).

(b) Occupancy Cost

Starting April 1, 1998, the Ontario Realty Corporation started to charge the Centre an accommodation fee for occupying its facilities. The accommodation charge is provided for in a five-year agreement, which ends March 31, 2003, and is to cover rent, taxes, maintenance and certain operating costs. The Centre receives a Ministry grant each year to fund this expenditure. The minimum lease payment for the remaining year of the agreement is \$3,958,000.

The Centre also has a five-year lease agreement with the City of Toronto for the Centre's Parking Lot. The minimum lease payments for the remaining year of the lease is \$40,000.

12. RESEARCH AND DEVELOPMENT FOR MAJOR CAPITAL PROJECT

In the Provincial Budget of May 2000, the province announced that the Ontario Science Centre would receive \$15.0 million as a grant from the SuperBuild Fund, contingent on the Centre receiving matching funding from the private sector. The Centre is in negotiation with the province on an agreement to begin drawing grant funds. In the 2001/02 fiscal year, the Centre had expended \$1,013,000 (2000/01 – \$781,000) on research and development costs towards a major capital project. These costs have been expensed in the current year.

13. COMPARATIVE FIGURES

The March 31, 2001 comparative figures have been reclassified where necessary to conform to the current year's presentation.