

NATIONAL TRUST FOR CANADA

FINANCIAL STATEMENTS

MARCH 31, 2020

NATIONAL TRUST FOR CANADA

TABLE OF CONTENTS

	PAGE
Independent Auditor's Report	1
Financial Statements	
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to the Financial Statements	7

INDEPENDENT AUDITOR'S REPORT

To the Members of
National Trust for Canada

Opinion

We have audited the financial statements of the National Trust for Canada (the National Trust), which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets and cash flows 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 National Trust as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for 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 National Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Marcil Lavallée

OTTAWA
400-1420 place Blair Towers Place
Ottawa ON K1J 9L8
T 613 745-8387
F 613 745-9584

Marcil-Lavallee.ca
Comptables professionnels agréés
Chartered Professional Accountants

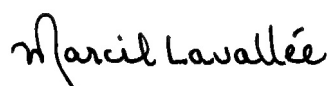
Cabinet indépendant affilié à
Independent firm affiliated to



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 National Trust'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 National Trust'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 National Trust 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.



Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
May 23, 2020

NATIONAL TRUST FOR CANADA

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2020

3

	2020	2019
REVENUE		
Young Canada Works contribution	\$ 720,597	\$ 739,330
Grants and contributions	135,683	237,235
Donations and bequests	112,979	100,441
Memberships	103,993	96,487
Sponsorships	86,439	94,773
Conference registrations	75,821	106,055
Contracts	63,482	38,114
Property	15,060	20,835
Other	10,544	9,799
Publications	44	605
	1,324,642	1,443,674
EXPENSES		
Leadership, Policy, Regeneration	881,541	928,932
Youth Employment - Young Canada Works (Note 12)	720,597	739,330
Management and administration	315,155	314,102
Communications	180,344	126,100
Property	180,269	197,779
Investment management	168,624	206,220
Governance	117,385	111,948
Publications	79,268	65,939
	2,643,183	2,690,350
DEFICIENCY OF REVENUE OVER EXPENSES BEFORE INVESTMENT REVENUE (LOSS)	(1,318,541)	(1,246,676)
INVESTMENT REVENUE (LOSS) (Note 3)	(1,318,416)	1,190,004
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (2,636,957)	\$ (56,672)

NATIONAL TRUST FOR CANADA

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2020

4

NON-ENDOWMENT

	Unrestricted	Invested in capital assets	Invested in heritage properties	Runciman Fund for Heritage Conservation	2020	2019
BALANCE, BEGINNING OF YEAR	\$ 6,408,965	\$ 37,435	\$ 2	\$ 44,323	\$ 6,490,725	\$ 6,547,397
Deficiency of revenue over expenses	(2,620,476)	(12,655)	-	(3,826)	(2,636,957)	(56,672)
Acquisition of capital assets	(12,454)	12,454	-	-	-	-
BALANCE, END OF YEAR	\$ 3,776,035	\$ 37,234	\$ 2	\$ 40,497	\$ 3,853,768	\$ 6,490,725

ENDOWMENT

	<u>National Trust for Canada</u>	
	2020	2019
BALANCE, BEGINNING AND END OF YEAR	\$ 13,180,511	\$ 13,180,511

NATIONAL TRUST FOR CANADA

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2020

5

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 40,991	\$ 62,006
Accounts receivable (Note 4)	63,453	31,395
Grants and contributions receivable	70,490	14,301
Prepaid expenses	58,208	58,988
	233,142	166,690
INVESTMENTS (Note 5)	17,052,318	19,745,614
CAPITAL ASSETS (Note 6)	37,234	37,435
HERITAGE PROPERTIES (Note 7)	2	2
	17,089,554	19,783,051
	\$ 17,322,696	\$ 19,949,741
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 112,628	\$ 161,045
Deferred revenue (Note 8)	102,320	117,460
Deferred grants and contributions	73,469	-
	288,417	278,505
NET ASSETS (Note 10)		
NON-ENDOWMENT		
Unrestricted (Note 11)	3,776,035	6,408,965
Internal restrictions		
Invested in capital assets	37,234	37,435
Invested in heritage properties	2	2
Runciman Fund for Heritage Conservation	40,497	44,323
	3,853,768	6,490,725
ENDOWMENT		
The National Trust for Canada	13,180,511	13,180,511
	17,034,279	19,671,236
	\$ 17,322,696	\$ 19,949,741

ON BEHALF OF THE BOARD



, Director



, Director

NATIONAL TRUST FOR CANADA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2020

6

	2020	2019
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (2,636,957)	\$ (56,672)
Adjustments for:		
Unrealized losses on investments	4,391,891	362,600
Amortization of capital assets	10,643	11,376
Loss on write-off of capital assets	2,012	1,369
	1,767,589	318,673
Net change in non-cash working capital items:		
Accounts receivable	(32,058)	24,837
Grants and contributions receivable	(56,189)	11,771
Prepaid expenses	780	2,436
Accounts payable and accrued liabilities	(48,417)	(197,247)
Deferred revenue	(15,140)	(25,116)
Deferred grants and contributions	73,469	-
	(77,555)	(183,319)
	1,690,034	135,354
INVESTING ACTIVITIES		
Net change in investments	(1,698,595)	(244,344)
Acquisition of capital assets	(12,454)	(6,745)
Disposal of heritage properties	-	115,000
	(1,711,049)	(136,089)
DECREASE IN CASH AND CASH EQUIVALENTS	(21,015)	(735)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	62,006	62,741
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 40,991	\$ 62,006

Cash and cash equivalents consist of cash.

NATIONAL TRUST FOR CANADA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

7

1. STATUTE AND NATURE OF OPERATIONS

The National Trust For Canada (the National Trust) is incorporated as a not-for-profit organization under the Canada Not-for-profit Corporations Act. It is a registered charity for income tax purposes and, as such, is exempt from income tax.

The objects of the National Trust are to conserve and promote the conservation of Canada's historic and culturally significant places and communities, to educate and engage the people of Canada in the conservation and appreciation of heritage buildings, landscapes, natural areas and communities, and to advance education by providing publicly available scholarships, bursaries and other forms of financial assistance to Canadian students or young professionals pursuing studies or working in heritage conservation or a related field.

2. SIGNIFICANT ACCOUNTING POLICIES

The National Trust applies Canadian accounting standards for not-for-profit organizations (ASNFPO) in accordance with Part III of the CPA Canada Handbook – Accounting.

Use of estimates

The preparation of financial statements in compliance with the ASNFPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the periods covered.

Revenue recognition

The National Trust follows the deferral method of accounting for grants and contributions. Restricted grants and contributions are recognized as revenue in the year in which the related expenses are incurred when the amount can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Revenues from conference registrations as well as from sponsorships are recognized when the event takes place. Donations and bequests are recognized when they are received unless deferred when amounts are designated for a specific program where expenses are to be incurred in future years.

Contracts are recognized as revenue when there is persuasive evidence that an agreement exists, delivery has occurred, the price is fixed or determinable and collection is reasonably assured.

Memberships and other revenues are recognized in the year to which they relate.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Allocated expenses

The National Trust allocates some of its salaries and benefits as well as its administration costs to activities by identifying the appropriate basis of allocating expenses and applies that basis consistently each year.

Salaries and benefits as well as administration costs are allocated in accordance with the following apportionment formulas:

- a) Salaries and benefits: on the work plan, based on the estimated time spent on each activity;
- b) Administration costs: on the basis of the approved budget of the contribution agreements which are based on the actual usage - prorated.

Foreign currency transactions

The National Trust uses the temporal method to translate its foreign currency transactions.

Monetary assets and liabilities are translated at the exchange rate in effect at the balance sheet date. Other assets and liabilities are translated at the exchange rate in effect at the transaction date. Items appearing in the current year's statement of operations, except for the cost of depreciation translated at historic rate, are translated at average year rates. Exchange gains and losses are included in the statement of operations.

Cash and cash equivalents

The National Trust's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that can fluctuate from being positive to overdrawn.

Financial instruments

Measurement of financial instruments

The National Trust initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The National Trust subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market and financial assets designated at fair value on initial recognition, which are measured at fair value. Changes in fair value are recognized in operations.

Financial assets measured at amortized cost include cash, accounts receivable and grants and contributions receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include investments.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment

Financial assets measured at cost and amortized cost are tested for impairment when there are indicators of possible impairment. The National Trust determines whether a significant adverse change has occurred in the expected timing or amount of future cash flows from the financial asset. If this is the case, the carrying amount of the asset is reduced directly to the higher of the present value of the cash flows expected to be generated by holding the asset, and the amount that could be realized by selling the asset at the balance sheet date. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in operations.

Transaction costs

The National Trust recognizes its transaction costs in operations in the period incurred. However, transaction costs related to financial instruments subsequently measured at amortized cost adjust the carrying amount of the financial asset or liability and are accounted for in the statement of operations using the straight-line method.

Grants and contributions receivable

A grant or contribution receivable is recognized as an asset when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Capital assets

Capital assets are accounted for at cost. Amortization is calculated on their respective estimated useful life using the diminishing balance method at the following annual rates:

Furniture and equipment	20%
Computer equipment	30%

Write-down of capital assets

When a capital asset no longer contributes to the National Trust's ability to provide services, its carrying amount is written down to residual value, if any. The excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

Heritage properties

Heritage properties are accounted for at cost and are not amortized. When conditions indicate that the fair value of a heritage property is lower than the cost, the net carrying amount is written down to the asset's fair value.

NATIONAL TRUST FOR CANADA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020

10

3. INVESTMENT REVENUE (LOSS)

	2020	2019
Interest	\$ 41,900	\$ 192,025
Dividends	444,368	277,375
Realized gains	2,587,207	1,083,204
Unrealized losses	(4,391,891)	(362,600)
	\$ (1,318,416)	\$ 1,190,004

4. ACCOUNTS RECEIVABLE

	2020	2019
Trade accounts	\$ 43,687	\$ 10,832
Harmonized Sales Tax receivable	19,766	20,563
	\$ 63,453	\$ 31,395

5. INVESTMENTS

	2020	2019
Cash and cash equivalents	\$ 555,904	\$ 240,492
Canadian pooled bond funds	-	4,987,963
Canadian pooled fund equities	-	2,423,939
Canadian segregated corporate bonds	745,134	44,800
Canadian segregated equities	3,337,625	1,264,801
Canadian preferred shares	1,448,180	-
Global bond pooled funds	3,143,815	2,994,239
Global equity pooled funds	-	3,957,146
International segregated equities	4,699,699	2,366,759
U.S. segregated equities	3,121,961	1,465,475
	\$ 17,052,318	\$ 19,745,614

The total Fund is invested and managed in a manner consistent with the following principles, which are listed in order of precedence:

- a) To protect the endowment in nominal terms;
- b) To provide a stable source of income to fund the activities of the Trust, without diminishing the real value of the total Fund;
- c) To obtain growth; and
- d) To maximize the Fund's total long-term investment return.

6. CAPITAL ASSETS

	Cost	Accumulated amortization	2020	2019
Furniture and equipment	\$ 65,525	\$ 50,134	\$ 15,391	\$ 18,998
Computer equipment	56,343	34,500	21,843	18,437
	\$ 121,868	\$ 84,634	\$ 37,234	\$ 37,435

The total amortization expense of \$10,643 (2019: \$11,376) is included under the "Management and administration" expense category in the statement of operations.

7. HERITAGE PROPERTIES

	2020	2019
Myrtleville House, Brantford, Ontario	\$ 1	\$ 1
Papineau Chapel, Montebello, Québec	1	1
	\$ 2	\$ 2

The heritage properties in Brantford and Montebello are held in trust for the Crown and have no material value in these financial statements.

8. DEFERRED REVENUE

	2020	2019
Balance, beginning of year	\$ 117,460	\$ 142,576
Plus: Amount granted in the year	65,709	94,279
Less: Amount recognized as revenue in the year	(80,849)	(119,395)
Balance, end of year	\$ 102,320	\$ 117,460

Deferred revenue is composed of the following items:

	2020	2019
Membership	\$ 44,259	\$ 48,240
Herb Stovel Scholarship Fund	48,061	43,720
Ecclesiastical Insurance - Awards sponsorships	10,000	10,000
Conference and other	-	15,500
	\$ 102,320	\$ 117,460

9. DEFERRED GRANTS AND CONTRIBUTIONS

	2020	2019
Balance, beginning of year	\$ -	\$ -
Plus: Amount granted in the year	929,749	-
Less: Amount recognized as revenue in the year	(856,280)	-
	\$ 73,469	\$ -

Deferred grants and contributions are detailed as follows:

	2020	2019
Young Canada Works (YCW)	\$ 43,980	\$ -
Parks Canada	18,626	-
Ottawa Community Foundation	10,863	-
	\$ 73,469	\$ -

10. NET ASSETS, NON-ENDOWMENT AND ENDOWMENT

Net assets include the original endowment received from the Government of Canada, as well as non-endowment amounts.

Endowment grants totaling \$13,180,511 received from the Government of Canada are held by the National Trust and placed into securities that are authorized investments for the funds of an insurance company under the Insurance Companies Act; the revenue from the investments is used for the objects of the National Trust; and, in the event that the National Trust is ever wound up or dissolved, the entire corpus of the Endowment then existing would be transferred to Her Majesty in Right of Canada.

Internally restricted amounts include the Runciman Fund for Heritage Conservation, created following the sale of the Annapolis Royal property. The amounts are invested and net revenues and expenses related to this investment are being added to the fund, annually.

11. UNRESTRICTED NET ASSETS

The Unrestricted Fund is deemed unavailable because it is subject to a Board-imposed spending limit policy designed to restrict the annual draw for the operations, protect against the risk of overspending, help the Trust maintain pace with inflation and for other extraordinary expenditures approved by the Board.

NATIONAL TRUST FOR CANADA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

13

12. YOUTH EMPLOYMENT - YOUNG CANADA WORKS (YCW)

In accordance with the requirements of the Department of Canadian Heritage, the expenditures for the Young Canada Works project are as follows:

	2020	2019
Contributions to employers - YCW in Heritage		
Organizations	\$ 494,677	\$ 492,310
Contributions to employers - YCW at Building Careers in Heritage	138,900	160,000
Administration costs	87,020	87,020
	\$ 720,597	\$ 739,330

13. ALLOCATED EXPENSES

Salaries and benefits are allocated to activities as follows:

	2020	2019
Leadership, Policy, Regeneration	\$ 474,476	\$ 523,988
Youth Employment - Young Canada Works	67,291	69,260
Management and administration	208,744	185,014
Communications	142,941	88,662
Property	35,362	39,741
Governance	58,927	50,617
Publications	52,650	37,275
	\$ 1,040,391	\$ 994,557

In addition, administration costs for a total amount of \$13,883 (2019: \$12,001) from the line item "Management and administration" and \$2,438 (2019: \$2,512) from the line item "Property" have been reallocated to the YCW Program.

14. FINANCIAL INSTRUMENTS

Investment risk

Investment in financial instruments renders the National Trust subject to investment risks. These include the risks arising from changes in interest rates, in rates of exchange for foreign currency, and in equity markets both domestic and foreign. They also include the risks arising from the failure of a party to a financial instrument to discharge an obligation when it is due.

The National Trust follows investment policies and practices to control the amount of risk to which it is exposed. The investment practices of the National Trust are designed to avoid undue risk of loss or impairment of assets and to provide a reasonable expectation of fair return given the nature of the investments. The maximum investment risk to the National Trust is represented by the market value of the investments.

Concentration risk

Concentration of risk exists when a significant proportion of the portfolio is invested in securities with similar characteristics and/or subject to similar economic, political and other conditions that may prevail. The following allocation of funds, described below, is in accordance with the diversification guidelines and investment objectives stated in the National Trust's Investment Policy.

	2020	2019
Cash and cash equivalents	3.3 %	1.2 %
Bond funds		
Corporate	4.4	17.9
Federal and provincial governments and other	8.5	7.6
Global Pooled Bonds	18.4	15.2
Total bond funds	31.3	40.7
Canadian equity instruments		
Canadian Units	19.6	6.4
Canadian Pooled Fund Units	-	12.3
Total Canadian equity instruments	19.6	18.7
Foreign equity instruments		
International Segregated Fund	37.5	12.0
U.S. Segregated Fund	18.3	7.4
Global Pooled Fund Units	-	20.0
Total Foreign equity instruments	45.8	39.4
Total equity instruments	65.4	58.1
Total investments	100.0 %	100.0 %

14. FINANCIAL INSTRUMENTS (continued)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at March 31, 2020, assets include investments of \$3,143,815 (2019: \$2,994,239) in International Bonds, investments of \$4,699,699 (2019: \$2,366,759) in International Equity Units and investments of \$3,121,961 (2019: \$1,465,475) in U.S. Equities, which have been converted into Canadian dollars.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The National Trust's main credit risks relate to its accounts receivable.

The National Trust establishes allowances for doubtful accounts while keeping in mind the specific credit risk of clients, their historic tendencies and economic situation. Approximately 93% of the total trade accounts is to be received from one entity. The National Trust considers that no risk arises from that situation.

15. RETIREMENT BENEFITS

The National Trust is a member of the Public Service Superannuation Pension Plan (the Plan), which is a contributory defined benefit plan available to all regular employees. The Plan provides retirement benefits based on an employee's years of service and average annual earnings over a period of time prior to retirement. The Plan is a multi-employer plan and is administered by the Federal Government and regulated by the Public Service Superannuation Act (PSSA). As such, the National Trust accounts for it as a defined contribution pension plan.

Under the PSSA, the current rate of contribution for employees is 9.53% up to the yearly maximum pensionable earnings under the plan, and 11.72% contribution rate above the yearly maximum pensionable earnings for employees who became members of the Plan prior to December 31, 2012. For members joining the Plan as at January 1, 2013 or after, the rates are 8.69% and 10.15% respectively. In accordance with the PSSA, the National Trust pays 1.01 times the contributions made by the employees who entered the Plan prior to January 1, 2013, and 1.00 times the contributions made by employees who entered the Plan post December 31, 2012. For the calendar year 2019, the employer's contribution rate was 1.01 and 1.00 times respectively. The employer's contributions for the year ended March 31, 2020 are \$77,742 (2019: \$77,343).

16. CONTRACTUAL OBLIGATIONS

The commitments of the National Trust under a lease agreement aggregate to \$77,810. The instalments over the next two years are the following:

2021	\$	58,360
2022	\$	19,450

NATIONAL TRUST FOR CANADA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

16

17. SUBSEQUENT EVENT

The recent outbreak of the coronavirus, also known as COVID-19, has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. As at the financial statements' approval date, the outbreak and the related mitigation measures have had the following impacts on the National Trust's operations, namely: decline in value of investments and possible penalties to be paid if the on-site October 2020 conference is cancelled. The extent to which these events may impact the National Trust's business activities will depend on future developments, such as the duration of the outbreak, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and, as such, the National Trust cannot determine the ultimate financial impacts at this time.