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Message from the Chair and Chief Executive Officer

The Ontario Heritage Trust (the Trust) is an agency of the Ministry of Heritage, Sport, Tourism and Culture Industries that cares for, commemorates and shares Ontario’s rich and diverse heritage, cultural and natural, tangible and intangible. We work with partners in all parts of Ontario to share and to celebrate the diversity of place, experience, language, customs and perspectives of our province.

The Trust serves as the heritage trustee and steward for the people of Ontario, and in this role the Trust also interprets Ontario’s history, educates Ontarians and celebrates the province’s diversity. We are an enterprise agency with a proven business model and a diversified revenue base.

Beginning in March 2020, the heritage, sport, tourism and culture sectors were one of the first hit by COVID-19 by a “triple threat” of health, economic and social crises. This had an unprecedented and devastating impact on the ministry’s agencies and on our sectors, including the Ontario Heritage Trust. In 2020-21, the impacts of COVID-19 resulted in dramatic losses across all the Trust’s revenue streams, including theatres, natural areas and museum sites, public programs, rental and investment income, individual and corporate donations, and increased financial pressure on our operating and program partners. Despite these challenges, we successfully re-focused our attention to design well-received online public experiences, including our popular Doors Open Ontario program and activities for educators and students. Our team also worked hard to ensure the safety and security of the public, our properties and extensive collections, and to support our partners across the province. This work was possible due to a significant emergency stabilization investment from the province in 2020-21 to ensure the sustainability of the agency.

While the impact of COVID-19 was difficult and far-reaching in 2020-21, the broad reach of our programming and partnerships across the province uniquely positioned the Trust to lead and support the ongoing economic and cultural recovery of the culture and heritage sectors. We led by example, showcasing and role-modelling innovative business approaches, and we further contributed through the provision of spaces and opportunities for our partners to continue to function and survive through the pandemic recovery period and beyond.

In 2020-21, the Trust:

- Maintained access to culture and heritage programming by welcoming 264,988 participants at our sites and programs, including virtual event attendance of 212,000 for Doors Open Ontario.
- Hosted successful digital programming events (museums and lectures) and welcomed 16,000 virtual attendees.
- Increased our social media fan base to 21,338 (an increase of over 30 per cent in comparison to 2019-20).
- Continued to engage with 85 per cent of Ontario municipalities and numerous Indigenous communities.
- Raised over 59 per cent of our yearly gross revenues.
- Contributed to the quality of life of Ontarians and supported economic resiliency in numerous local and regional communities.
- Promoted anti-racism and diversity through inclusive interpretation of history and commemoration activities and events.

As we celebrate our accomplishments in 2020-21, we look forward to the important work waiting for us in the year ahead. With the support of a dedicated and accomplished team of heritage professionals, distinguished board members, partners, funders and volunteers, the Trust continues to be a centre of heritage excellence for the people of Ontario.

John Ecker
Chair, Board of Directors, Ontario Heritage Trust

Beth Hanna
Chief Executive Officer, Ontario Heritage Trust
Our mandate
The Ontario Heritage Trust has a provincewide mandate to conserve, interpret and share Ontario's heritage. The Trust acts as a centre of expertise and serves as the heritage trustee and steward for the people of Ontario. The Trust conserves provincially significant cultural and natural, tangible and intangible heritage, interprets Ontario's history, celebrate its diversity and educates Ontarians of its importance in our society. [Ontario Heritage Act, R.S.O.1990]

Our vision
An Ontario where we conserve, value and share the places and landscapes, histories, traditions and stories that embody our heritage, now and for future generations.

Our mission
- Demonstrate excellence in the conservation and stewardship of places and landscapes, objects, traditions and stories.
- Expand the narrative, spark new conversations, give voice to the diversity of Ontario’s people and places.
- Share knowledge and expertise and foster an understanding of our histories and heritage in everyday life.
- Build mutually rewarding relationships with new and current partners.

Our values
1. Integrated approach to conservation
   - Integrated approach to conservation and stewardship of cultural, natural, tangible and intangible heritage.
   - The centrality of heritage conservation in the effective stewardship of the environment and in the creation of sustainable and resilient communities.
   - Landscapes of memory, storytelling, tradition and language as irreplaceable heritage resources of cultural significance.
2. Respect and inclusion
   - Inclusive, multi-faceted representations of the province’s heritage that reflect our diversity and complexity.
   - The discovery, knowledge and insight, generated by cultural heritage, which fosters cultural affiliation and reconciliation, and enables us to understand ourselves better.
3. Inspiration and innovation
   - The potential of heritage to inspire, stimulate creativity and motivate us to bequeath knowledge, narratives and histories, and a diverse and authentic cultural environment to future generations.
4. Co-operation and collaboration
   - Mutually rewarding relationships with new and current partner organizations.
   - Create partnerships to build and enhance conservation capacity in communities.
5. Public good
   - Holistic, sustainable planning that serves the public good and establishes a sense of place, civic identity and permanence.
   - Empowering partners and individuals to be conservation leaders in their own communities.

Our strategic themes [2020-23]

Lead
- Demonstrate a holistic, innovative, integrated approach to conservation.
- Champion the relevance and importance of a shared, multi-faceted understanding of our past and present, while revealing and celebrating how it can inspire our future.
- Collaborate, expand and enhance partnerships to build community capacity for conservation.
- Spark new conversations and expand the narrative about Ontario’s heritage.
- Transform Ontario’s understanding of the connection between heritage conservation, environmental sustainability, economic stimulus and community identity.
- Build relationships with Indigenous communities to support the protection and celebration of Indigenous heritage and identity.

Conserve
- Actively steward lands, cultural landscapes and cultural resources; protect, conserve and share the values of places and landscapes.
- Demonstrate successful operating models and revitalization examples.
- Actively promote Trust sites as spaces to stimulate artistic expression and showcase cultural industries/productions.
- Support the use and vitality of conservation arts, trades and skills.

Educate
- Provide learning opportunities for all, whether they are visiting our sites, participating in our programs, browsing online or reading our publications.
- Celebrate and share the diversity of the province’s tangible and intangible heritage.
- Identify, safeguard and promote the intangible values of traditions and stories.
- Create unique educational opportunities and cultural program experiences through our properties, programs and partnerships.

Inspire
- Engage new audiences by focusing on diverse programs and opportunities.
- Invite Ontarians to share, value and celebrate the complex narratives we have inherited.
- Develop our digital environment to tell Ontario’s stories in vivid new ways and engage a wider audience.
- Forge and nurture connections to amplify the work we do as partners, achieving more together.
- Provide programs and professional development opportunities to cultivate youth participation in, and excitement for, heritage and the arts.
- Show the relevancy, connection and value of our partnerships.
Excel

- Create partnerships and collaborations, bringing different skills, resources and perspectives to key initiatives.
- Invest in our visitor experience.
- Build greater awareness of the Trust’s work and its achievements.
- Strengthen financial and organizational resilience, model adaptive reuse and pursue entrepreneurial opportunities.
- Meet high standards and best practices of governance, fiscal management, entrepreneurship, sustainability and accountability.
- Demonstrate a culture of diversity, inclusion, respect and professionalism.
- Promote innovation and creativity, social and environmental responsibility.

Board of Directors 2020-21

Members of the Board of Directors are appointed by the Lieutenant Governor in Council. The following members served on the Board of Directors of the Ontario Heritage Trust for the 2020-21 fiscal year:

Harvey Andrew McCue, Chair (Ottawa)
September 24, 2009, to March 5, 2012
March 5, 2012, to March 4, 2015
Vice-Chair, April 22, 2013, to March 4, 2015
Vice Chair, March 5, 2015, to March 5, 2018
Chair, July 11, 2017, to July 10, 2020
John Ecker (Whitby)
April 18, 2019, Chair, July 11, 2020, to April 17, 2022
Melanie Hare, Vice-Chair (Toronto)
November 18, 2009, to March 4, 2012
March 5, 2012, to March 5, 2015
June 3, 2015, to March 4, 2018
Vice Chair, September 20, 2017, to September 19, 2020
Lisa Brown (Toronto and Gravenhurst)
March 21, 2018, to March 20, 2021
John F. Coombs (Toronto and Cloyne)
February 21, 2018, to February 20, 2021
Eileen P.K. Costello (Toronto)
June 28, 2017, to June 27, 2020
April 8, 2020, to April 2, 2023
Dr. Lynne D. DiStefano (Toronto)
Antoinette Fracassi (Ottawa)
August 17, 2017, to August 16, 2020
Michelle A. Hamilton (London)
February 8, 2018, to February 7, 2021
Patricia Heilingman (Hamilton)
February 11, 2021, to February 11, 2023
Richard Hall (Port Colborne)
November 12, 2020, to November 12, 2023
Zygmunt Janecki (Kitchener)
August 6, 2020, to August 6, 2023
George Thomas Kapelos (Toronto)
August 12, 2015, to March 4, 2018
March 5, 2018, to February 20, 2021
Arthur Milnes (Kingston)
January 21, 2021, to January 21, 2023
Suzanne (Su) Murdoch (Barrie)
August 31, 2017, to August 30, 2020
Mandy Nwobu (Toronto)
February 11, 2021, to February 11, 2023
Stephen Pellegrini (Kettleby)
December 10, 2020, to December 10, 2023
Jean Yves Pelletier (Ottawa)
February 18, 2021, to February 18, 2023
Wendy Shearer (Guelph)
January 11, 2017, to January 10, 2020
Bob Taylor Vaisey (Scarborough)
March 4, 2021, to March 4, 2023
Nathan Tidridge (Waterdown)
September 30, 2015, to March 4, 2018
March 5, 2018, to March 4, 2021
Heather White (Oshawa)
March 4, 2021, to March 4, 2023
Highlights 2020-21
The success of the Trust builds on several years of a thorough examination of its legislated mandate, how it is delivered and why it matters to Ontarians. The Trust remains committed to delivering its mandate across Ontario, streamlining expenditures and expanding its revenue base.

In 2020-21, the Trust:
• Led and supported the ongoing economic and cultural recovery of the culture and heritage sectors (due to the broad reach of our programming and partnerships across the province).
• Raised over 59 per cent of its operational budget through leases, business centres and support from community and government partners, corporate and foundation sponsors, and individual donors.
• Worked in 85 per cent of Ontario’s municipalities and with numerous Indigenous communities by protecting land and easement properties, providing educational programming, supporting tourism products and building conservation capacity.
• Worked with historians to address outdated language and historiography in areas of the Provincial Plaque Program.
• Celebrated the uniqueness of Ontario’s local communities, shifting to a digital version of Doors Open Ontario (DOO), showcasing 194 sites and welcoming 212,000 virtual participants. With 60 media coverage pieces and 863,000 engagements online, the shift to digital was a genuine success.
• Featured Heritage Matters Live with Esi Edugyan, welcomed 20,702 viewers across five broadcasts. This included two broadcasts dedicated to educators and students, including 16,541 student viewers registered by 690 educators. The lecture also delivered 5.4M earned media impressions.
• Offered public education initiatives that provided a voice for Ontarians to share their heritage perspectives through the Trust’s social media platforms, website, interpretive programs and the Trust’s magazine, Heritage Matters.
• Added creative new materials to the website using new technologies, including five Matterport virtual tours based on 3D scans of buildings, seven drone footage tours of natural heritage sites, four interview-style videos and one “sizzle” reel.
• Upgraded the Trust’s collections management database software. Over 17,000 cultural collections records were migrated to a new cloud-hosted system. This is the first phase of a project designed to make collections information publicly available.
• Improved online user experiences by enhancing access to the wealth of information in Heritage Matters, the Trust’s magazine, which is now featured on the OHT website.
• Garnered 501,892 website visits and increased the OHT’s social media fan base to 21,338.
• Provided access to Trust sites to support authors, artists, musicians, filmmakers, producers and other entrepreneurs in heritage, tourism and cultural industries.
• Promoted knowledge about conservation as well as models for adaptive reuse, demonstration projects and online registers.
• Managed over eight capital projects at Trust-owned sites, providing an economic boost in heritage conservation, tourism and revenue-generating sites across Ontario.

Assets
• 4,116 hectares (nearly 10,073 acres) of cultural/natural lands protected by Trust ownership and 2,010 hectares (over 4,977 acres) of cultural/natural lands protected by Trust easements.
• 200 properties owned by the Trust (28 cultural and 172 natural heritage properties) in 56 municipalities.
• Conservation easements held on 278 provincially significant heritage properties (196 cultural and 82 natural) in 110 municipalities.
• Over 958,000 archaeological artifacts and over 25,000 cultural artifacts related to Trust properties managed and interpreted.
• The Trust has researched, developed and unveiled 1,285 provincial plaques since 1956.
• Owned sites include 12 National Historic Sites (NHS) and 46 Areas of National and Scientific Interest (ANSIs); easements protect 35 NHSs and 24 ANSIs.

Key impacts
• Protects 478 properties through ownership or easement.
• The Trust’s operating partnerships provide stewardship and management services, resulting in a direct economic contribution to the work of the Trust and to the province, estimated at a minimum of $7M/year.
• In 2020-21, engaged with 264,988 (virtual and in-person) participants at sites and within programs.
• Delivers provincial programs in 85 per cent of Ontario’s municipalities, representing over 99 per cent of Ontario’s population.
• Educates Ontarians about significant persons, places and events using provincial plaques, sites, archaeological and cultural artifacts.
• Recognizes the exceptional contributions of individuals to heritage conservation through the Lieutenant Governor's Ontario Heritage Awards and Young Heritage Leaders programs. Since their inception, over 5,000 have been recognized.
• Tracks over 30,000 designated properties across 228 municipalities on the Ontario Heritage Act Register.
• Protects 170 registered archaeological sites on owned and easement properties.

2020 Lieutenant Governor’s Ontario Heritage Awards
Each year, in co-operation with the Office of the Lieutenant Governor of Ontario, the Trust recognizes exceptional contributions to heritage conservation, environmental sustainability and biodiversity, and cultural and natural heritage. The Lieutenant Governor’s Ontario Heritage Awards celebrate individuals, groups and communities that best demonstrate qualities of leadership, commitment, creativity, positive impact on the community and high standards of conservation.

Lieutenant Governor’s Ontario Heritage Award for Lifetime Achievement-Recipient
• William Terry

Lieutenant Governor’s Ontario Heritage Award for Youth Achievement-Recipients
• Charlene Rocha
• Paula Umeh
Lieutenant Governor’s Ontario Heritage Award for Youth Achievement-Group

- The Archival Research of Italian-Canadian Immigration and Culture Project

Lieutenant Governor’s Ontario Heritage Award for Excellence in Conservation-Recipients

- The Adaptive Reuse of the Walker Power Building, Windsor
- The Revitalization of the Paradise Theatre, Toronto
- Heritage at Home by Heritage Toronto and its Emerging Historians Program
- The Conservation of the Tiger Moth Aircraft by the Edenvale Classic Aircraft Foundation
- The Digitization and Sharing of the Ontario History Journal Archive by the Ontario Historical Society
- The Restoration of the Ham House, Bath
- The Restoration of the Fuller Post Office, Smiths Falls
- The Performance of the Ward Cabaret

Thomas Symons Award for Commitment to Conservation-Recipient

- Carolyn King

The achievements of the 2020 recipients help Ontarians explore our cultural history, preserve and use our special places, structures and landscapes, conserve our art, and celebrate the languages, knowledge, stories, values and traditions that comprise our shared heritage.

Donors and partners

Donors, funders and sponsors

Partnership is at the heart of the Trust’s ongoing success. In 2020-21, the Trust generated more than 59 per cent of its operating revenue through its leases, business centres and support from community partners, corporate and foundation sponsors and individual donors. This support, along with the generous contributions and donations of our grant partners, property donors and collections donors, allowed the Trust to continue the important work of conserving the province’s cultural and natural heritage for the people of Ontario.

Without these critical partners, we would not be able to make meaningful progress to protect our valuable cultural and natural heritage. Our efforts are genuinely enhanced by the strength that comes from working together.

The Ontario Heritage Trust truly thanks everyone who has given their time, energy and gifts this year.

Aird & Berlis LLP, Toronto
Richard M. Alway, Toronto
Daniel Atkinson, Belleville
Jean M. Augustine, Toronto
Robert D. Bagshaw, Ajax
Nancy Beaton, Toronto
Brian Beatte, Toronto
Gail Benjafeld, St. Catharines
J.P. Bickell Foundation, Toronto
Lisa S. Bowen, Toronto
Frederick Wayne Bristow, Windsor
Heather R. Broadbent, Bolton
Lisa Brown, Toronto
Jim K. Brownell, Long Sault
John Burtinski, Thornold
Canada Life, London
Canada-Ontario Agreement on French Language Services, Toronto
Ruth Cathcart, Toronto
PF Investments, Toronto
Ruth Cattart, Toronto
CI Investments, Toronto
John F. Coombs, Toronto
Susan E. Corke, Mississauga
Paul Dempsey, Mississauga
Lynne D. DiStefano, Toronto
Dianne Domelle, Thornhill
John E. Ecker, Whitby
Sara Elhawash, Brampton
Eulalia Estwick, Whitby
Gord Fowler, Ballinafad
Karen L. Fydenchuk, Toronto
Gold, Ottawa
Joanne Grafton, London
Georgina Green, Kitchener
Richard Hall, Toronto
Scott Hand, Lenox
Beth Hanna, Toronto
The Willam and Nona Haslip Foundation, Toronto
Gerald Hunt, Toronto
Jill Hutcheson, Havelock
Neil Jacoby, Toronto
Zyg Janecki, Kitchener
George T. Kapelos, Toronto
Karen Kaplan, Toronto
Wayne Kelly, Toronto
Lyne Kurylo, Toronto
Yansong (Lami) Liang, Ajax
London Community Foundation, London
Randy Luckman, Dresden
Martin MacLachlan, Toronto
Harvey McCabe, Ottawa
Modercma McDowell, Toronto
Nancy C. McFadyen, Toronto
John D. McFadyen, Toronto
Donald B. McKay, Owen Sound
W.D. McKough, Blenheim
Brad McKinley, Toronto
Steven Medley, Oshawa
Ministry of Heritage, Sport, Tourism and Culture Industries
Ministry of Indigenous Affairs
Ian R. Moore, Toronto
Richard Moorhouse, Toronto
Neil Morris, Caledon Shannon O’Brien, New York
Parks Canada (National Historic Sites Cost-Share Program), Gatineau
Stephen Pellegrini, King City
Guy Yves Pelletier, Gatineau
Anna A. Petrescu, Toronto
Jannette Porter, Toronto
Jana M. Prock, Toronto
Christina Prozes, Toronto
RBC Foundation, Toronto
Larry W. Richards, Toronto
Stuart Roison, Victoria
Robert Saunders, Toronto
Mike Sawchuck, Pickering
Sandra Seguin, Orleans
Gregg Serles, Oakville
Wendy Shearer, Guelph
Jury members for the 2020 Lieutenant Governor’s Ontario Heritage Awards

- Cheryl Blackman, Director of Museums and Heritage Services for the City of Toronto
- Deon Singh, a Youth Achievement Award Recipient in the 2019 Lieutenant Governor’s Ontario Heritage Awards
- Dima Cook, Principal at EVOQ Architecture
- Esmond Lee, Artist and Architect
- Lindsay Benjamin, Cultural Heritage Specialist, WSP

Jury members for the 2020 Doris McCarthy Artist-in-Residence (DMAiR) Program

- Clare Ross, President, Ontario Society of Artists
- Siobhan O’Connor, Associate Director, Writer’s Union of Canada
- Ann MacDonald, Curator, Doris McCarthy Gallery (UTSC)
- Ryan Rice, Chair, Indigenous Visual Culture Program (OCAD University)
Management Responsibility for Financial Reporting

The accompanying financial statements of the Ontario Heritage Trust have been prepared in accordance with Canadian public sector accounting standards and are the responsibility of management. The preparation of financial statements necessarily involves the use of estimates based on management’s judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods. The financial statements have been properly prepared within reasonable limits of materiality and in light of information available up to December 15, 2021.

Management maintains a system of internal controls designed to provide reasonable assurance that the assets are safeguarded and that reliable financial information is available on a timely basis. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. The Board of Directors reviews and approves the financial statements.

The financial statements have been audited by the Office of the Auditor General of Ontario. The Auditor General’s responsibility is to express an opinion on whether the financial statements are fairly presented in accordance with Canadian public sector accounting standards. The independent auditor’s report, which appears on the following page, outlines the scope of the Auditor General’s examination and opinion.

Beth Hanna,
Chief Executive Officer

Paul Dempsey
Director, Corporate Businesses and Services
Auditor’s Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 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 Trust’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the 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.

I 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 I identify during my audit.

Toronto, Ontario
December 15, 2021
Susan Klein, CPA, CA, LPA
Assistant Auditor General
# Ontario Heritage Trust
## Statement of Financial Position
**(in thousands of dollars)**

As at March 31

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<tbody>
<tr>
<td><strong>Assets</strong></td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets:</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cash and cash equivalents (note 2(a))</td>
<td>821</td>
<td>1,216</td>
<td>6,291</td>
<td>3,324</td>
<td>-</td>
<td>-</td>
<td>7,112</td>
<td>4,549</td>
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<tr>
<td>Short-term investments (note 2(b))</td>
<td>-</td>
<td>-</td>
<td>1,963</td>
<td>5,812</td>
<td>-</td>
<td>1,963</td>
<td>5,812</td>
<td>5,812</td>
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<tr>
<td>Accounts receivable (note 5)</td>
<td>1,602</td>
<td>965</td>
<td>1,238</td>
<td>220</td>
<td>-</td>
<td>-</td>
<td>2,840</td>
<td>1,185</td>
</tr>
<tr>
<td>Prepaid expenses and inventories</td>
<td>116</td>
<td>106</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>117</td>
<td>107</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>2,561</td>
<td>2,367</td>
<td>9,492</td>
<td>9,357</td>
<td>-</td>
<td>12,033</td>
<td>11,544</td>
<td>11,544</td>
</tr>
<tr>
<td>Long-term investments (note 2(c))</td>
<td>-</td>
<td>-</td>
<td>6,834</td>
<td>4,499</td>
<td>11,360</td>
<td>10,697</td>
<td>18,194</td>
<td>15,196</td>
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<tr>
<td><strong>Capital assets (note 3)</strong></td>
<td>293</td>
<td>20</td>
<td>50</td>
<td>92</td>
<td>-</td>
<td>-</td>
<td>343</td>
<td>112</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,834</td>
<td>2,307</td>
<td>16,376</td>
<td>13,948</td>
<td>11,360</td>
<td>10,697</td>
<td>38,570</td>
<td>26,352</td>
</tr>
</tbody>
</table>

## Liabilities and Fund Balances

**Current liabilities:**
- Accounts payable and accrued liabilities (note 5) | 1,591 | 1,162 | 158 | 100 | - | - | 1,749 | 1,262 |
- Deposits and deferred revenue | 112  | 141   | 2   | 37  | - | - | 114 | 178   |
- Employee future benefits (note 4) | 340  | 338   | -   | -   | - | - | 340 | 338   |

**Total current liabilities** | 2,543 | 1,641 | 160 | 137 | - | - | 2,203 | 1,778 |

**Employee future benefits (note 4)** | 514  | 550   | -   | -   | - | - | 514 | 550   |

**Total liabilities** | 2,557 | 2,191 | 160 | 137 | - | - | 2,717 | 2,328 |

**Fund balances:**
- Externally restricted | -    | -     | 11,299 | 19,219 | 9,311 | 9,311 | 20,610 | 19,530 |
- Internally restricted | -    | -     | 4,662  | 3,569  | 1,809 | 1,809 | 6,471  | 5,378  |
- Unrestricted | 240  | 116   | -     | -     | -    | -    | -     | -     |

**Total fund balances** | 2,834 | 2,307 | 16,376 | 13,948 | 11,360 | 10,697 | 27,853 | 24,252 |

**Commitments (note 12)** | -    | -     | -     | -     | -    | -    | -     | -     |

**See accompanying notes**

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# Ontario Heritage Trust
## Statement of Operations
**(in thousands of dollars)**

For the year ended March 31

<table>
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<tbody>
<tr>
<td><strong>Revenue</strong></td>
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<td></td>
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<tr>
<td>Grants</td>
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</tr>
<tr>
<td>Ministry of Heritage, Sport, Tourism and Culture Industries</td>
<td>9,446</td>
<td>3,789</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,446</td>
<td>3,789</td>
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<tr>
<td>Operating</td>
<td>9,446</td>
<td>3,789</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,446</td>
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<td>341</td>
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<td>-</td>
<td>2,241</td>
<td>341</td>
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<tr>
<td>Special</td>
<td>60</td>
<td>-</td>
<td>-</td>
<td>50</td>
<td>-</td>
<td>-</td>
<td>60</td>
<td>50</td>
</tr>
<tr>
<td>Other (note 5)</td>
<td>-</td>
<td>643</td>
<td>404</td>
<td>-</td>
<td>35</td>
<td>643</td>
<td>439</td>
<td></td>
</tr>
<tr>
<td>Rental and license fees</td>
<td>955</td>
<td>6,637</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>955</td>
<td>6,637</td>
</tr>
<tr>
<td>Investment income (note 7)</td>
<td>89</td>
<td>121</td>
<td>669</td>
<td>561</td>
<td>-</td>
<td>34</td>
<td>758</td>
<td>716</td>
</tr>
<tr>
<td>Fundraising and corporate sponsorships</td>
<td>48</td>
<td>113</td>
<td>313</td>
<td>253</td>
<td>-</td>
<td>-</td>
<td>361</td>
<td>366</td>
</tr>
<tr>
<td>Cash</td>
<td>48</td>
<td>113</td>
<td>313</td>
<td>253</td>
<td>-</td>
<td>-</td>
<td>361</td>
<td>366</td>
</tr>
<tr>
<td>Other gifts in kind</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other income</td>
<td>7</td>
<td>111</td>
<td>-</td>
<td>-</td>
<td>11</td>
<td>-</td>
<td>7</td>
<td>122</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10,605</td>
<td>10,774</td>
<td>3,866</td>
<td>1,620</td>
<td>-</td>
<td>69</td>
<td>14,471</td>
<td>12,453</td>
</tr>
</tbody>
</table>

**Expenses (note 8)**

Trust properties and collections | 3,408 | 3,255 | 2,248 | 845 | - | - | 5,676 | 4,100 |
Business centre’s operations | 2,807 | 3,748 | 17 | 57 | - | - | 2,864 | 3,805 |
Heritage programs, activities and special events | 1,952 | 1,731 | 203 | 507 | - | - | 2,559 | 2,238 |
Administration                  | 1,164 | 1,112 | 9 | 36 | - | - | 1,173 | 1,148 |
Grants                         | -    | -     | 11                   | -                     | -                    | -                    | 11         |            |
| **Total**                     | 9,331 | 9,546 | 2,843                 | 1,458                 | -                    | 69                   | 12,174     | 11,302     |

**Excess of revenue over expenses for the year** | 1,274 | 928 | 1,023 | 164 | - | - | 69 | 2,297 |

**See accompanying notes**

---

**Board approval date:**
- December 15, 2021
- December 15, 2021
# Ontario Heritage Trust

## Statement of changes in fund balances

(in thousands of dollars)

For the year ended March 31

<table>
<thead>
<tr>
<th></th>
<th>Externally restricted for endowment</th>
<th>Internally restricted for endowment</th>
<th>Externally restricted</th>
<th>Internally restricted</th>
<th>Unrestricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2021</strong></td>
<td>$9,311</td>
<td>$1,809</td>
<td>$10,219</td>
<td>$3,568</td>
<td>$116</td>
<td>$25,024</td>
</tr>
<tr>
<td>Balance, beginning of year</td>
<td>$9,311</td>
<td>$1,809</td>
<td>$11,299</td>
<td>$4,662</td>
<td>$240</td>
<td>$27,321</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Externally restricted for endowment</th>
<th>Internally restricted for endowment</th>
<th>Externally restricted</th>
<th>Internally restricted</th>
<th>Unrestricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2020</strong></td>
<td>$9,242</td>
<td>$1,775</td>
<td>$9,751</td>
<td>$2,827</td>
<td>$268</td>
<td>$23,863</td>
</tr>
<tr>
<td>Balance, beginning of year</td>
<td>$9,242</td>
<td>$1,775</td>
<td>$10,219</td>
<td>$3,568</td>
<td>$116</td>
<td>$25,024</td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenses for the year</td>
<td>$69</td>
<td>$—</td>
<td>$466</td>
<td>$304</td>
<td>$928</td>
<td>$1,161</td>
</tr>
<tr>
<td>Inter-fund transfers (note 10)</td>
<td>$—</td>
<td>$34</td>
<td>$—</td>
<td>$1,046</td>
<td>$1,080</td>
<td>$—</td>
</tr>
<tr>
<td><strong>Balance, end of year</strong></td>
<td><strong>$9,311</strong></td>
<td><strong>$1,809</strong></td>
<td><strong>$10,219</strong></td>
<td><strong>$3,568</strong></td>
<td><strong>$116</strong></td>
<td><strong>$25,024</strong></td>
</tr>
</tbody>
</table>

See accompanying notes
Ontario Heritage Trust

Statement of cash flows
(in thousands of dollars)

For the year ended March 31

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess of revenue over expenses for the year</td>
<td>2,297</td>
<td>1,161</td>
</tr>
<tr>
<td>Add items not involving cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>65</td>
<td>66</td>
</tr>
<tr>
<td>Amortization of discount on investments</td>
<td>—</td>
<td>102</td>
</tr>
<tr>
<td>Changes in non-cash working capital balances related to operations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,655</td>
<td>(120)</td>
</tr>
<tr>
<td>Prepaid expenses and inventories</td>
<td>(11)</td>
<td>77</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>487</td>
<td>(1,658)</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>—</td>
<td>(296)</td>
</tr>
<tr>
<td>Deposits and deferred revenue</td>
<td>(64)</td>
<td>(154)</td>
</tr>
<tr>
<td>Decrease in employee future benefits</td>
<td>(34)</td>
<td>(51)</td>
</tr>
<tr>
<td>Cash provided by (used in) operating activities</td>
<td>1,085</td>
<td>(843)</td>
</tr>
<tr>
<td><strong>Capital activity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of capital assets</td>
<td>(296)</td>
<td>(45)</td>
</tr>
<tr>
<td>Cash used in capital activity</td>
<td>(296)</td>
<td>(45)</td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from investments</td>
<td>7,889</td>
<td>13,732</td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(6,106)</td>
<td>(12,911)</td>
</tr>
<tr>
<td>Cash provided by investing activities</td>
<td>1,783</td>
<td>821</td>
</tr>
<tr>
<td><strong>Net change in cash during the year</strong></td>
<td>2,572</td>
<td>(67)</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>4,540</td>
<td>4,507</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>7,112</td>
<td>4,540</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents are represented by</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>5,772</td>
<td>1,943</td>
</tr>
<tr>
<td>Cash equivalents</td>
<td>1,540</td>
<td>2,597</td>
</tr>
<tr>
<td><strong>See accompanying notes</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Ontario Heritage Trust

Notes to financial statements
(in thousands of dollars)

March 31, 2021

Ontario Heritage Trust [the “Trust”], established by the Ontario Heritage Act, R.S.O. 1990 as an agent of Her Majesty in Right of Ontario, is committed to preserving, protecting and promoting Ontario’s heritage by accepting, holding in trust and caring for gifts of provincially significant heritage properties and articles of historical, architectural, archaeological, recreational, aesthetic, natural and scenic interest. It provides technical expertise and financial support to individuals, organizations and public bodies involved in heritage preservation, and undertakes research, public education and other initiatives. The Trust is a not-for-profit provincial agency operating under the Ministry of Heritage, Sport, Tourism and Culture Industries and is exempt from income taxes on its real property, business and income and can issue official donation receipts to donors.

1. Summary of significant accounting policies

Basis of presentation

The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards, including the 4200 series of standards for government not-for-profit organizations. The significant accounting policies are summarized below.

Fund accounting

Resources are classified for accounting and reporting purposes into funds that are held in accordance with their specified purpose or in accordance with directives issued by the Board of Directors. Transfers between funds are made when approved by the Board of Directors, except for the Externally Restricted Funds, which require donor approval. For financial reporting purposes, there are three groups of funds:

General Fund

The General Fund includes all of the ordinary day-to-day transactions of the Trust. The Trust may disburse, expend or otherwise deal with any part of its General Fund for the purpose of any of the objects of the Trust, and to defray any expenses incurred in carrying out its objectives.

Restricted Funds

Restricted Funds consist of:

[a] Externally Restricted Funds

[i] Amounts received from the Province of Ontario [the “Province”], the federal government and non-profit organizations to finance specific projects;

[ii] Contributions received from individuals and corporations with restrictions on use in accordance with the terms as specified by the contributors; and

[iii] A reserve fund established under Section 13 of the Ontario Heritage Act, which requires the consent of the Lieutenant Governor in Council to spend capital.

[b] Internally Restricted Funds

Amounts set aside by the Board of Directors to finance specific projects within the mandate of the Trust.
Ontario Heritage Trust
Notes to financial statements
(in thousands of dollars)
March 31, 2021

[c] Endowment Funds

The Endowment Funds report non-expendable resources held in trust and amounts set aside by the Board of Directors to be maintained as endowments.

Cash and cash equivalents
Cash and cash equivalents consist of cash on hand, bank balances, money market mutual funds and term deposits with maturities of up to 90 days from the date of acquisition.

Investments
Short-term investments consist of term deposits, bonds and other fixed income instruments, maturing within 12 months and with durations of greater than 90 days from the date of acquisition. Long-term investments consist of similar investments with maturities greater than 12 months, and investments with no maturity date where management’s intention is to hold the investment for more than 12 months beyond the fiscal year-end.

Capital assets
Purchased capital assets, comprising computer equipment and software, office equipment and furniture and fixtures, are stated at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the assets’ estimated useful lives of three to five years.

Properties and articles of a cultural and natural heritage nature
Purchased properties and articles of a cultural and natural heritage nature are expensed at cost, while those donated are recorded as revenue and expenses at their fair value at the date of contribution. Expenditures for restoration on owned properties are expensed as incurred.

Properties, such as land, buildings and articles owned by the Trust (note 6), are classified as part of cultural and natural heritage collections held in trust and, as such, are exempt from being included as capital assets and are not subject to amortization.

Employee future benefits
The multi-employer defined benefit plans are accounted for as a defined contribution plan, as there is not sufficient information to apply defined benefit plan accounting. Contributions to multi-employer defined benefit pension plans are expensed on an accrual basis.

Other employee future benefits include post-employment benefits payable on termination that are provided to certain employees and are accrued as the employees render the service necessary to earn these future benefits.

Revenue recognition
The Trust follows the restricted fund method of accounting for contributions.

Contributions related to general operations are recognized as revenue of the General Fund in the year received or receivable. Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate Restricted Funds when received or receivable. Contributions for endowment are recognized as revenue in the Endowment Funds when received or receivable. Contributions are recognized in the respective funds if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income consists of interest, dividends, and realized gains and losses, net of investment management fees, and is recognized when earned. Investment income subject to restrictions stipulating that it be added to the principal amount of the Endowment Funds is reported as revenue of the Endowment Funds. Other investment income earned on resources of the Endowment Funds is reported in the General Fund or Restricted Funds depending on the nature of any restrictions imposed by contributors of funds for endowment. Where contributors or contributors do not specify the treatment of Investment Income earned on funds provided, the income is recognized as revenue of the General Fund.

Rental and license fees income is recognized as revenue when the service is delivered and collection is reasonably assured.

Contributed gifts-in-kind
The work of the Trust is supported by other gifts-in-kind donations in addition to those referred to in note 1. Properties and articles of a cultural and natural heritage nature. The donated items are recorded at fair value as revenue and expenses at the date of contribution when fair value is reasonably determinable.

Contributed services
A number of volunteers contribute a significant amount of time each year to assist in carrying out the Trust’s service delivery activities. In addition, the Trust derives benefit from contributed in-kind services as a result of various arrangements with individuals, corporate and community partners. Because of the difficulty in determining the fair value, contributed services are not recognized in the financial statements.

Financial instruments
Investments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are recorded at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis.

Investments recorded at fair value are re-measured at the end of each reporting period. Unrealized changes in fair value are recognized in the statement of re-measurement gains and losses until the asset is sold or matures, at which time the unrealized gains and losses previously recognized in the statement of re-measurement gains and losses are reversed and recognized in the statement of operations.

All investment transactions are recorded on a trade date basis. Transaction costs incurred on the acquisition of financial instruments are expensed as incurred.

Other financial instruments, including accounts receivable and accounts payable and accrued liabilities, are initially recorded at their fair value and subsequently measured at cost, net of any provisions for impairment.

Financial assets, with the exception of those recorded at fair market value, are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported as a loss on the statement of financial position.
in the statement of operations and any unrealized loss is adjusted through the statement of remeasurement gains and losses.

Unless otherwise noted, it is management’s opinion that the Trust is not exposed to significant credit risk, liquidity risk and interest rate risk arising from financial instruments.

[ii] Fair value measurements are classified using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

- Level 1 – unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 – observable or corroborated inputs, other than Level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 – unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value measurement for all of the investments held by the Trust is categorized as Level 1.

Allocation of expenses
The Trust owns and operates trust properties and collections, delivers heritage programs and events and manages business centres' activities. The costs of each of these functional areas include salary and benefits, supplies and other expenses that are directly related to providing the programs. The Trust also incurs general support expenses that are common to the administration of these programs.

Executive office and corporate services unit salaries and benefits are allocated to trust property operations, heritage program delivery and business centre management based on time spent on each of the functional areas. General support expenses incurred are assigned proportionately to the function to which it directly applies.

Use of estimates
The preparation of financial statements 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 revenue and expenses during the year. Significant items subject to such estimates and assumptions include amortization expense and accrued liabilities. Actual results could differ from management’s best estimates as additional information becomes available in the future.

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>Fair value</td>
</tr>
<tr>
<td>-----</td>
<td>-----------</td>
</tr>
<tr>
<td>Canadian cash</td>
<td>$5,772</td>
</tr>
<tr>
<td>Canadian money market funds</td>
<td>$1,340</td>
</tr>
<tr>
<td></td>
<td>$7,112</td>
</tr>
</tbody>
</table>

The rate of return from cash and cash equivalents is 0.2% (2020 - 0.26%).

[b] Short-term investments consist of the following:

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>Fair value</td>
</tr>
<tr>
<td>-----</td>
<td>-----------</td>
</tr>
<tr>
<td>Fixed income securities</td>
<td></td>
</tr>
<tr>
<td>Canadian</td>
<td>$2,010</td>
</tr>
<tr>
<td>Global</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$2,010</td>
</tr>
</tbody>
</table>

The rate of interest on short-term investments ranges from 0.53% to 5.10% (2020 - 1.69% to 4.50%).

[c] Long-term investments consist of the following:

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>Fair value</td>
</tr>
<tr>
<td>-----</td>
<td>-----------</td>
</tr>
<tr>
<td>Fixed income securities</td>
<td></td>
</tr>
<tr>
<td>Canadian</td>
<td>$6,198</td>
</tr>
<tr>
<td>Global</td>
<td>$1,515</td>
</tr>
<tr>
<td>Pooled fixed income funds</td>
<td></td>
</tr>
<tr>
<td>Canadian</td>
<td>$7,118</td>
</tr>
<tr>
<td>Global</td>
<td>$838</td>
</tr>
<tr>
<td>Pooled equity funds</td>
<td></td>
</tr>
<tr>
<td>Canadian</td>
<td>$901</td>
</tr>
<tr>
<td>Global</td>
<td>$1,045</td>
</tr>
<tr>
<td>Pooled income funds</td>
<td></td>
</tr>
<tr>
<td>Canadian</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$17,615</td>
</tr>
</tbody>
</table>

The maturity dates for long-term fixed income investments range from Aug 2022 to May 2077 (2020 - July 2021 to June 2036) and the rate of interest ranges from 0.71% to 8.00% (2020 - 2.16% to 8.9%).
Ontario Heritage Trust
Notes to financial statements
(in thousands of dollars)
March 31, 2021

3. Capital assets

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Accumulated</td>
<td>Net book value</td>
</tr>
<tr>
<td>Computer equipment and software</td>
<td>230</td>
<td>122</td>
<td>108</td>
</tr>
<tr>
<td>Office equipment and furniture</td>
<td>394</td>
<td>158</td>
<td>236</td>
</tr>
<tr>
<td></td>
<td>624</td>
<td>281</td>
<td>343</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Accumulated</td>
<td>Net book value</td>
</tr>
<tr>
<td>Computer equipment and software</td>
<td>167</td>
<td>98</td>
<td>72</td>
</tr>
<tr>
<td>Office equipment and furniture</td>
<td>235</td>
<td>195</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>402</td>
<td>280</td>
<td>112</td>
</tr>
</tbody>
</table>

In the current year, included in General Fund and Restricted Fund expenses is amortization expense of $23 and $42 [2020 — $18 and $48], respectively. In addition, fully amortized office equipment and furniture and fixture assets with a total cost of $74 [2020 — $321] were no longer in use and were written off.

4. Employee future benefits

Pension benefits

The Trust’s regular employees participate in the Public Service Pension Fund (“PSPF”) or the Ontario Public Service Employees’ Union Pension Fund (“OPSEU-PF”), which are defined benefit pension plans for employees of the Province and many provincial agencies. The Province, which is the sole sponsor of the PSPF and a joint sponsor of the OPSEU-PF, determines the Trust’s annual payments to the funds. Since the Trust is not a sponsor of these funds, gains and losses arising from statutory actuarial funding valuations are not assets or obligations of the Trust, as the sponsors are responsible for ensuring that the pension funds are financially viable. The Trust’s annual payments of $383 [2020 — $376] are included in the expenses of the General and Restricted Funds in the statement of operations.

Non-pension benefits

The cost of post-retirement non-pension employee benefits is paid by the Province and is not included in the statement of operations. The Trust also provides termination benefits earned by eligible employees. The amount of legislated severance payments, unused vacation pay and other termination benefits accrued at year-end was $854 [2020 — $889], of which $340 [2020 — $336] has been classified as a current liability.

5. Related party transactions

As an agency of the Province, the Trust is required to procure mandatory Central Common Services from other designated government ministries and/or agencies. The Trust receives payroll, workforce information network, employee benefit plan administration, recruitment advertising, legal, telecommunications, bulk mailing, insurance and risk management services from the Province.

In addition, the Trust delivers heritage programs, activities and special events in partnership with other provincial government ministries and/or agencies and secures funding through granting programs administered by the provincial government ministries and/or agencies. Grants from related parties, other than the Ministry of Heritage, Sport, Tourism and Culture Industries, are recorded in Grants - Other revenue and are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Indigenous Affairs</td>
<td>169</td>
<td>341</td>
</tr>
<tr>
<td>Ministry of Community Safety and Correctional Service</td>
<td>—</td>
<td>36</td>
</tr>
<tr>
<td>Ontario Tourism Marketing Partnership Corporation</td>
<td>150</td>
<td>—</td>
</tr>
</tbody>
</table>

Amounts receivable from and payable to the Province and outstanding at each year-end are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivable from the Province</td>
<td>2,243</td>
<td>52</td>
</tr>
<tr>
<td>Payable to the Province</td>
<td>428</td>
<td>369</td>
</tr>
</tbody>
</table>

6. Properties and articles of a cultural and natural heritage nature

At year-end, the Trust’s portfolio of owned properties included 201 properties owned by the Trust (20 cultural and 175 natural heritage properties) on which are located 103 buildings. The Trust also owns 25,011 cultural artifacts and over 958,000 archaeological artifacts that are directly associated with its owned properties. Using conservation easement agreements, the Trust protects 281 heritage properties that are owned by others. Since 1866, the Trust has erected 1,285 provincial plaques commemorating significant people, places and events.
Ontario Heritage Trust
Notes to financial statements
(in thousands of dollars)
March 31, 2021

7. Investment income
Interest income includes income earned on resources held for endowment and other investments, which is reported in the following funds:

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Restricted Funds</th>
<th>Endowment Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>2020</td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Interest income earned on Endowment Fund resources (note 9)</td>
<td>86</td>
<td>85</td>
<td>576</td>
</tr>
<tr>
<td>Other Investments</td>
<td>3</td>
<td>36</td>
<td>82</td>
</tr>
<tr>
<td></td>
<td>89</td>
<td>121</td>
<td>669</td>
</tr>
</tbody>
</table>

8. Allocation of expenses
[a] General support expenses for the executive office and corporate services of $373 [2020 – $285] have been allocated to other programs as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust properties and collections</td>
<td>82</td>
<td>68</td>
</tr>
<tr>
<td>Heritage programs, activities and special events</td>
<td>141</td>
<td>82</td>
</tr>
<tr>
<td>Business Centre's operations</td>
<td>67</td>
<td>52</td>
</tr>
<tr>
<td>Administration</td>
<td>89</td>
<td>83</td>
</tr>
<tr>
<td></td>
<td>379</td>
<td>285</td>
</tr>
</tbody>
</table>

[b] Salary and benefit costs of $1,610 [2020 – $1,469] for the executive office and corporate services have been allocated to other programs as follows:

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust properties and collections</td>
<td>243</td>
<td>206</td>
</tr>
<tr>
<td>Heritage programs, activities and special events</td>
<td>439</td>
<td>432</td>
</tr>
<tr>
<td>Business Centre's operations</td>
<td>293</td>
<td>310</td>
</tr>
<tr>
<td>Administration</td>
<td>635</td>
<td>521</td>
</tr>
<tr>
<td></td>
<td>1,810</td>
<td>1,489</td>
</tr>
</tbody>
</table>

9. Endowment net assets
Endowment net assets consist of amounts subject to contributor and Board of Directors-imposed restrictions to maintain the endowment funds’ contributed capital, using the investment income in accordance with any purposes established by the contributor or the Board of Directors.

The Trust has established a capital preservation policy with the objective of protecting the real value of the internally restricted endowments by requiring the endowment funds’ capital to be increased annually by an amount equal to the annual percentage change in the Ontario Consumer Price Index (“CPI”).

For externally restricted endowed funds, investment income earned is recorded in the Restricted Funds unless directed by the contributor to be maintained in the Endowment Funds. For internally restricted endowed funds, investment income is recorded in the General Fund in the statement of operations. The preservation of capital amount is allocated to the Endowment Funds by way of a funds transfer.

During the year, $662 [2020 - $901] of investment income was earned on Internally and Externally Restricted Endowment Funds, of which $nil [2020 - $34] was directed by the contributor to be recorded as investment income in the Endowment Funds, $576 [2020 - $482] of investment income is subject to restrictions imposed by contributors and was recorded in the Restricted Funds. The remaining Endowment Funds investment income of $86 [2020 - $85] was earned on internally restricted endowed funds and is recorded as revenue in the General Fund.

10. Inter-fund transfers
Unrestricted contributions recognized initially in the General Fund and set aside from time to time by the Board of Directors’ resolutions are allocated as required to address various approved internal priorities or contingencies. These transactions are reported as inter-fund transfers between the General Fund and Internally Restricted Funds. During the year, the Board of Directors approved inter-fund transfers of $1,150 [2020 - $1,048] from the General Fund to Internally Restricted Funds.

In addition, investment income of $nil [2020 - $34] allocated to the preservation of capital on internally restricted endowed funds was transferred from the General Fund to the Internally Restricted for Endowment Funds in accordance with the Trust’s policies.

Investment income of $57 [2020 - $nil] was transferred from the externally restricted fund to the internally restricted fund in accordance with the terms of the donor agreement.

11. Credit facility
The Trust has a Line of Credit for $250 established at Prime + 0.25% per annum. As at March 31, 2021 and 2020, the Trust did not have any borrowings outstanding under this facility.
Ontario Heritage Trust  
Notes to financial statements  
(in thousands of dollars)  
March 31, 2021

12. Commitments
At March 31, 2021, the Trust had commitments under Restricted Funds of $85 (2020 – $97) for matching grants expenditures directed to communities, including eligible non-profit organizations and municipalities, to preserve, restore and maintain their heritage properties.

The various grant agreements contain requirements for specific milestones to be achieved by the grantee before grants will be issued. As such, no liability has been set up for these commitments as at March 31, 2021.

13. Financial Instruments
Credit risk
Credit risk arises when one party to a financial instrument may cause a financial loss for the other party by failing to discharge an obligation. The Trust is exposed to credit risk in connection with its accounts receivable and investments. As at March 31, 2021, 93% (2020 – 92%) of the accounts receivable balance is due from the governments of Canada, Ontario, other provinces and municipalities. In addition, 1% (2020 – 33%) of the accounts receivable balance is due from clients who have leased Trust property and is considered fully collectible. Investments held by the Trust are professionally managed and are limited to those with investment-grade credit ratings from at least one recognized international rating agency.

Liquidity risk
Liquidity risk is the risk that the Trust will encounter difficulty in meeting obligations associated with its financial liabilities. The Trust receives a significant portion of its operating revenue from the provincial government. To manage liquidity risk, the Trust keeps sufficient resources readily available to meet its obligations. Almost all the Trust’s accounts payable and accrued liabilities are due within 90 days.

Market risk
Market risk arises when the fair value of an investment portfolio fluctuates as a result of changes in the volatility of interest rates, stock prices, foreign exchange rates and commodity prices. The Trust’s diversified portfolio investment consists of pooled income funds, equity funds and fixed income fund holdings. Potential market risks are managed through established investment policy parameters, which prescribe a conservative asset mix of investments, limit concentration levels in types of securities, and set acceptable bond ratings. The Trust is not exposed to foreign currency risk as all investments are in Canadian dollars. Professional investment managers are engaged by the Trust to advise and invest funds in individual securities and pooled funds, within a suitable asset mix in accordance with the approved investment policy, to achieve an appropriate balance between risks and returns.

The Finance and Investment Committee of the Board of Directors of the Trust meets periodically with the managers to review performance and compliance to satisfactory risk levels. As a result of adopting these strategies, there has been no significant change to the Trust’s credit risk and market risk exposure from 2020.

14. Comparative figures
Prior year’s figures have been reclassified where necessary to conform to the current year’s financial statement presentation.

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March 31, 2021

15. COVID-19
The ongoing coronavirus ['COVID-19'] pandemic has resulted in emergency measures taken by the Province to combat the spread of the virus. These measures have caused an economic slowdown of the Trust's business and operations, including the closure of the Trust’s cultural sites and rental venues and the cancellation of scheduled events. This has resulted in reduced rental and license fees income beginning in mid-March 2020 and continued into the next fiscal year with some cultural sites partially re-opening in fiscal 2022.

16. Subsequent Events
On August 26, 2021, the Trust transferred a heritage property located at 265 Front Street East, Toronto, Ontario to Metro Toronto, a related party, for $53.9 million plus other associated costs.