



Financial Statements

**The Cemetery Fund of The Incorporated Synod of
the Diocese of Toronto**

December 31, 2009

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Auditors' report

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To the Unitholders of

The Cemetery Fund of the Incorporated Synod of the Diocese of Toronto

We have audited the balance sheet of **The Cemetery Fund of The Incorporated Synod of the Diocese of Toronto** as at December 31, 2009 and the statements of earnings, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Toronto, Ontario
April 15, 2010

Chartered Accountants
Licensed Public Accountants

**The Cemetery Fund
of the Incorporated Synod of the Diocese of Toronto
Statement of Earnings**

Year Ended December 31	2009	2008
Revenue		
Interest and dividends	\$ <u>426,043</u>	\$ <u>398,392</u>
Expenses		
Investment counsel fees	37,248	37,685
Administration expenses - Diocese (Note 3)	10,619	10,369
Other	<u>-</u>	<u>198</u>
	<u>47,867</u>	<u>48,252</u>
Net investment earnings	<u>378,176</u>	<u>350,140</u>
Capital appreciation (depreciation)	<u>1,338,686</u>	<u>(1,137,651)</u>
Net earnings (loss)	\$ <u>1,716,862</u>	\$ <u>(787,511)</u>
Average number of units outstanding	<u>82,611</u>	<u>79,089</u>
Net earnings (loss) per unit	\$ <u>20.78</u>	\$ <u>(9.96)</u>

See accompanying notes to the financial statements.

**The Cemetery Fund
of the Incorporated Synod of the Diocese of Toronto
Statement of Changes in Net Assets**

Year Ended December 31	2009	2008
Net assets, beginning of year	\$ <u>10,100,724</u>	\$ <u>11,040,458</u>
Net earnings (loss)	<u>1,716,862</u>	<u>(787,511)</u>
Unit transactions		
Contributions received to purchase units	555,219	442,448
Redemption of units	<u>(30,139)</u>	<u>(13,571)</u>
	<u>525,080</u>	<u>428,877</u>
Distributions to unit holders		
Net investment income	(378,176)	(350,140)
Distribution from capital in the year	<u>(228,638)</u>	<u>(230,960)</u>
	<u>(606,814)</u>	<u>(581,100)</u>
Net assets, end of year	\$ <u>11,735,852</u>	\$ <u>10,100,724</u>
Number of units outstanding, end of year (Note 6)	<u>84,541</u>	<u>80,681</u>
Net assets, end of year per unit	\$ <u>138.82</u>	\$ <u>125.19</u>
Distribution per unit	\$ <u>7.37</u>	\$ <u>7.37</u>

See accompanying notes to the financial statements.

**The Cemetery Fund
of the Incorporated Synod of the Diocese of Toronto
Statement of Net Assets**

December 31 2009 2008

Assets

Investments, at fair value (Note 4)	\$ 11,325,103	\$ 9,924,252
Cash	<u>411,810</u>	<u>184,801</u>
	11,736,913	10,109,053

Liabilities

Payables and accruals	<u>1,061</u>	<u>8,329</u>
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Net assets

Funds held for parishes (Note 7)	\$ <u>11,735,852</u>	\$ <u>10,100,724</u>
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On behalf of the Diocesan Council

See accompanying notes to the financial statements.

The Cemetery Fund of the Incorporated Synod of the Diocese of Toronto Notes to the Financial Statements

December 31, 2009

1. Purpose

The Cemetery Fund (the "Fund") was set up by the Synod as of October 1, 1993 to provide a trust fund meeting the requirements of the Cemeteries Act, 1990 Section 35 to hold cemetery care and maintenance funds for cemeteries of parishes in the Diocese of Toronto. Under terms of a trust agreement made by the Synod dated July 27, 1993, Scotiitrust (formerly the Montreal Trust Company) is the trustee of the funds. The Incorporated Synod of the Diocese of Toronto and its parishes are registered charities under the Income Tax Act and are exempt from income taxes under Section 149 of the Act.

2. Summary of significant accounting policies

Unit valuation

The Fund is a unitized fund which is valued quarterly. Deposits and withdrawals are valued at the unit value as at the end of the quarter in which they occur.

Distribution

The aggregate income and capital distribution for the year was at the rate of \$7.37 per unit, being 5% of the unit value as at March 31, 2007. The Investment Committee and the Treasury Board of the Diocese review this rate annually, to ensure that it is reasonable relative to the total return of the fund and the annual rate of inflation.

The dividend is allocated to unitholders quarterly, pro-rata to the number of units held at the beginning of the quarter.

Translation of foreign currencies

Investments in foreign currencies are translated into Canadian dollars at the year end rate of exchange. Translation gains and losses are included in earnings.

Revenue and expense recognition

Revenue and expenses are recorded on the accrual basis.

Investments

Investments are stated at fair value which has been determined by reference to last bid price of these investments.

Use of estimates

In preparing the Fund's financial statements, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

The Cemetery Fund of the Incorporated Synod of the Diocese of Toronto

Notes to the Financial Statements

December 31, 2009

3. Related party transactions

a) Administration expenses - Diocese

The Incorporated Synod of the Diocese of Toronto provides accounting services and administrative oversight to the Cemetery Fund and charges these costs to the Fund on a cost recovery basis. The amount charged is set as a flat amount and forms part of the Diocese's budget approved by Synod.

4. Investments

Investments are carried at fair value which results in capital gains or losses being allocated to unitholders.

	<u>2009</u>	<u>%</u>		<u>2008</u>	<u>%</u>
Short term deposits	\$ 477,000	4	\$	615,500	6
Bonds - Government of Canada	1,486,489	13		1,676,631	17
- Provinces of Canada	1,489,281	13		1,475,772	15
- Corporations	2,747,058	24		2,893,934	29
Stocks	<u>5,125,275</u>	<u>46</u>		<u>3,262,415</u>	<u>33</u>
	<u>\$ 11,325,103</u>	<u>100</u>	\$	<u>9,924,252</u>	<u>100</u>

5. Financial instruments

Interest rate risk

The Fund's earnings are exposed to the interest rate risk that arises from fluctuations in interest rates and the degree of volatility of these rates. The Fund does not use derivative instruments to alter its exposure to interest rate risk.

Fair value

The Fund's estimate of the fair value of payables and accruals, approximates the carrying value due to the relatively short term nature of the instruments.

The Cemetery Fund of the Incorporated Synod of the Diocese of Toronto

Notes to the Financial Statements

December 31, 2009

6. Continuity of units outstanding	<u>2009</u>	<u>2008</u>
Units, beginning of year	80,681	77,497
Subscriptions	4,077	3,279
Redemptions	<u>(217)</u>	<u>(95)</u>
Units, end of year	<u>84,541</u>	<u>80,681</u>

7. Funds held for parishes		<u>2009</u>		<u>2008</u>
All Saints, Collingwood	Care and maintenance	\$ 79,763	\$	71,133
All Saints, Collingwood	Monument	12,586		10,571
All Saints, King City	Care and maintenance	4,760		4,106
All Saints, Kingsway	Care and maintenance	11,219		10,118
Christ Church, Banda	Care and maintenance	11,590		10,452
Christ Church, Batteau	Care and maintenance	69,133		62,347
Christ Church, Campbellford	Care and maintenance	18,759		16,737
Christ Church, Campbellford	Monument	550		496
Christ Church, Campbellford	Pre-need	3,307		2,827
Christ Church, Holland Landing	Care and maintenance	76,499		68,990
Christ Church, Holland Landing	Monument	508		458
Christ Church, Ivy	Care and maintenance	12,428		10,673
Christ Church, Mimico	Monument	114,075		7,487
Christ Church, Roches Point	Care and maintenance	181,898		150,266
Christ Church, Roches Point	Monument	708		313
Christ Church, Woodbridge	Care and maintenance	43,492		38,220
Good Shepherd, Wyebridge	Care and maintenance	19,773		15,788
Good Shepherd, Wyebridge	Monument	4,009		2,976
Grace Church, Markham	Care and maintenance	40,528		36,297
Grace Church, Markham	Monument	4,371		3,802
Holy Trinity, Thornhill	Care and maintenance	66,824		58,629
Janetville	Care and maintenance	27,038		24,384
Lloydtown	Care and maintenance	48,646		43,671
Lloydtown	Monument	2,450		2,210
Middleton St. Clair	Care and maintenance	3,343		2,857
Middleton St. Clair	Capital gains	2,216		1,894
Redeemer Duntroon	Care and maintenance	83,210		74,899
Redeemer Duntroon	Monument	418		377
St. Clement Eglinton	Care and maintenance	16,504		14,108
St. David, Everett	Care and maintenance	26,575		23,341
St. George, Apsley	Care and maintenance	14,701		12,537
St. George, Apsley	Monument	2,717		2,450
St. George, Barrie	Care and maintenance	20,881		17,873
St. George, Fairvalley	Care and maintenance	36,137		31,472
St. George, Fairvalley	Monument	5,472		4,845
St. George, Georgina	Care and maintenance	60,862		53,885

The Cemetery Fund of the Incorporated Synod of the Diocese of Toronto

Notes to the Financial Statements

December 31, 2009

7. Funds held for parishes (continued)		<u>2009</u>	<u>2008</u>
St. George, Georgina	Monument	\$ 961	\$ 824
St. George, Gore's Landing	Care and maintenance	15,655	14,118
St. George, Gore's Landing	Monument	1,216	1,097
St. George, Grafton	Care and maintenance	22,998	20,741
St. George, Grafton	Monument	2,485	2,014
St. George, Oshawa	Care and maintenance	9,286	8,374
St. George, Pickering	Care and maintenance	22,326	20,135
St. George, Pickering	Monument	2,002	1,648
St. James, Brock	Care and maintenance	26,568	23,961
St. James, Caledon	Care and maintenance	9,474	8,544
St. James, Crown Hill	Care and maintenance	1,995	1,799
St. James, Penetanguishene	Care and maintenance	126,198	112,101
St. James, Penetanguishene	Monument	9,731	8,239
St. James, Roseneath	Care and maintenance	8,994	8,111
St. James, Sutton	Care and maintenance	12,106	10,918
St. John, Norway	Care and maintenance	2,015,625	1,771,333
St. John, Norway	Monument	79,900	68,544
St. John, Norway	Pre-need	572,860	513,422
St. John, Blackstock	Care and maintenance	26,618	24,006
St. John, Blackstock	Monument	2,429	2,096
St. John, Cookstown	Care and maintenance	35,283	31,595
St. John, Craighurst	Care and maintenance	75,234	62,439
St. John, Ida	Care and maintenance	62,091	54,713
St. John, Ida	Monument	6,298	5,380
St. John, Matchedash	Care and maintenance	22,197	20,018
St. John, Matchedash	Monument	3,348	2,930
St. John (Dixie) Mississauga	Care and maintenance	3,288,065	2,777,654
St. John (Dixie) Mississauga	Monument	170,726	148,019
St. John, Mono	Care and maintenance	135,891	120,604
St. John, Mono	Monument	10,987	9,548
St. John, Oakridges	Care and maintenance	36,647	33,050
St. John, Tecumseth	Care and maintenance	45,391	38,157
St. John, Tecumseth	Monument	3,915	3,350
St. John, Waverley	Care and maintenance	17,613	15,884
St. John, Waverley	Monument	1,576	1,347
St. John, Whitby	Care and maintenance	52,866	46,523
St. John, Whitby	Monument	4,512	3,888
St. John, York Mills	Care and maintenance	250,960	218,060
St. John, York Mills	Monument	10,561	9,346
St. Jude, Wexford	Care and maintenance	46,918	42,313
St. Jude, Wexford	Monument	2,686	2,422
St. Luke, Hamlet	Care and maintenance	85,520	72,910
St. Luke, Hamlet	Monument	2,875	2,320
St. Luke, Mississauga	Care and maintenance	1,932	1,743
St. Margaret, West Hill	Care and maintenance	1,111,812	988,965

The Cemetery Fund of the Incorporated Synod of the Diocese of Toronto

Notes to the Financial Statements

December 31, 2009

7. Funds held for parishes (continued)		<u>2009</u>	<u>2008</u>
St. Mark, East Oro	Care and maintenance	\$ 8,101	\$ 7,306
St. Mark, Midland	Care and maintenance	68,261	59,851
St. Mark, Midland	Monument	9,784	8,328
St. Mark, Otonabee	Care and maintenance	37,130	33,485
St. Mark, Otonabee	Monument	226	204
St. Mark, Port Hope	Care and maintenance	4,416	3,057
St. Mary, Lifford	Care and maintenance	65,916	59,214
St. Paul, L'Amoreaux	Care and maintenance	43,035	38,811
St. Paul, L'Amoreaux	Monument	4,024	3,472
St. Paul, Cavan	Care and maintenance	23,049	20,787
St. Paul, Cavan	Monument	894	760
St. Paul, Columbus	Care and maintenance	39,524	35,257
St. Paul, Columbus	Monument	1,040	667
St. Paul, Coulson Hill	Care and maintenance	54,647	49,283
St. Paul, Innisfil	Care and maintenance	223,589	197,791
St. Paul, Innisfil	Monument	22,040	19,548
St. Paul, Lasswade	Care and maintenance	404	364
St. Paul, Newmarket	Care and maintenance	5,179	4,671
St. Paul, Washago	Care and maintenance	28,677	25,862
St. Paul, Washago	Monument	5,317	4,795
St. Peter, Erindale	Care and maintenance	116,467	91,532
St. Peter, Churchill	Care and maintenance	26,681	24,062
St. Peter, Churchill	Monument	1,051	848
St. Peter, Cobourg	Care and maintenance	236,400	207,946
St. Peter, Maple Lake	Care and maintenance	28,326	25,546
St. Philip, Etobicoke	Care and maintenance	837,861	716,140
St. Philip, Etobicoke	Monument	32,520	29,328
St. Philip, Etobicoke	Pre-need	60,425	54,494
St. Philip, Unionville	Care and maintenance	53,961	48,665
St. Philip, Unionville	Monument	1,040	938
St. Thomas, Shanty Bay	Care and maintenance	52,759	45,976
Trinity, Port Credit	Care and maintenance	31,133	27,166
Trinity, Streetsville	Care and maintenance	10,159	9,162
Trinity, Colborne	Care and maintenance	<u>18,535</u>	<u>16,716</u>
Total		<u>\$ 11,735,852</u>	<u>\$ 10,100,724</u>