



Financial Statements

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

December 31, 2010

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## Independent Auditors' Report

**Grant Thornton LLP**  
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To the Unitholders of

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

We have audited the accompanying financial statements of **The Cemetery Fund of The Incorporated Synod of the Diocese of Toronto**, which comprise the statement of net assets as at December 31, 2010, the statements of earnings and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

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

### **Auditors' responsibility**

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Diocese's preparation and fair presentation of the financial statements 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 Diocese's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The Cemetery Fund of The Incorporated Synod of the Diocese of Toronto** as at December 31, 2010, and the results of its operations and change in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

*Grant Thornton LLP*

Toronto, Canada  
June 23, 2011

Chartered Accountants  
Licensed Public Accountants

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

Year Ended December 31 2010 2009

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Revenue		
Interest and dividends	\$ <u>426,092</u>	\$ <u>426,043</u>
Expenses		
Investment counsel fees	40,918	37,248
Administration expenses - Diocese (Note 3)	10,750	10,619
Other	<u>445</u>	<u>-</u>
	<u>52,113</u>	<u>47,867</u>
Net investment earnings	<u>373,979</u>	<u>378,176</u>
Capital appreciation	<u>626,635</u>	<u>1,338,686</u>
Net earnings	\$ <u>1,000,614</u>	\$ <u>1,716,862</u>
Average number of units outstanding	<u>85,592</u>	<u>82,611</u>
Net earnings per unit	\$ <u>11.69</u>	\$ <u>20.78</u>

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See accompanying notes to the financial statements.

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

Year Ended December 31	2010	2009
Net assets, beginning of year	\$ <u>11,735,852</u>	\$ <u>10,100,724</u>
Net earnings	<u>1,000,614</u>	<u>1,716,862</u>
Unit transactions		
Contributions received to purchase units	765,728	555,219
Redemption of units	<u>(463,152)</u>	<u>(30,139)</u>
	<u>302,576</u>	<u>525,080</u>
Distributions to unit holders		
Net investment income	(373,979)	(378,176)
Distribution from capital in the year	<u>(46,339)</u>	<u>(228,638)</u>
	<u>(420,318)</u>	<u>(606,814)</u>
Net assets, end of year	\$ <u>12,618,724</u>	\$ <u>11,735,852</u>
Number of units outstanding, end of year (Note 6)	<u>86,643</u>	<u>84,541</u>
Net assets, end of year per unit	\$ <u>145.64</u>	\$ <u>138.82</u>
Distribution per unit	\$ <u>5.00</u>	\$ <u>7.37</u>

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See accompanying notes to the financial statements.

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

December 31 2010 2009

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**Assets**

Investments, at fair value (Note 4)	\$ 12,289,587	\$ 11,325,103
Cash	<u>331,117</u>	<u>411,810</u>
	<b>12,620,704</b>	<b>11,736,913</b>

**Liabilities**

Payables and accruals	<u>1,980</u>	<u>1,061</u>
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**Net assets**

Funds held for parishes (Note 7)	\$ <u>12,618,724</u>	\$ <u>11,735,852</u>
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On behalf of the Diocesan Council




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See accompanying notes to the financial statements.

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

## **Notes to the Financial Statements**

December 31, 2010

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### **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, Scotiabank (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.

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### **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 \$5 per unit, being 4% of the unit value as at March 31, 2009. The Investment Committee of the Diocese reviews 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.



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

## Notes to the Financial Statements

December 31, 2010

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### 3. Related party transactions

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.

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### 4. Investments

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

	<u>2010</u>	<u>%</u>	<u>2009</u>	<u>%</u>
Short term deposits	\$ 828,000	7	\$ 477,000	4
Bonds - Government of Canada	1,402,557	11	1,486,489	13
- Provinces of Canada	1,351,488	11	1,489,281	13
- Corporations	2,874,967	23	2,747,058	24
Stocks	<u>5,832,575</u>	<u>48</u>	<u>5,125,275</u>	<u>46</u>
	\$ <u>12,289,587</u>	<u>100</u>	\$ <u>11,325,103</u>	<u>100</u>

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### 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, 2010

<b>6. Continuity of units outstanding</b>	<b>2010</b>	<b>2009</b>
Units, beginning of year	\$ 84,541	\$ 80,681
Subscriptions	5,380	4,077
Redemptions	<u>(3,278)</u>	<u>(217)</u>
Units, end of year	<b>\$ 86,643</b>	<b>\$ 84,541</b>

<b>7. Funds held for parishes</b>	<b>2010</b>	<b>2009</b>
All Saints, Collingwood Care and maintenance	\$ 84,757	\$ 79,763
All Saints, Collingwood Monument	15,473	12,586
All Saints, King City Care and maintenance	5,619	4,760
All Saints, Kingsway Care and maintenance	12,423	11,219
Christ Church, Banda Care and maintenance	12,160	11,590
Christ Church, Batteau Care and maintenance	72,531	69,133
Christ Church, Campbellford Care and maintenance	19,680	18,759
Christ Church, Campbellford Monument	577	550
Christ Church, Campbellford Pre-need	3,594	3,307
Christ Church, Holland Landing Care and maintenance	80,975	76,499
Christ Church, Holland Landing Monument	636	508
Christ Church, Ivy Care and maintenance	14,279	12,428
Christ Church, Mimico Monument	132,265	114,075
Christ Church, Roches Point Care and maintenance	199,486	181,898
Christ Church, Roches Point Monument	971	708
Christ Church, Woodbridge Care and maintenance	47,693	43,492
Good Shepherd, Wyebridge Care and maintenance	20,745	19,773
Good Shepherd, Wyebridge Monument	4,356	4,009
Grace Church, Markham Care and maintenance	43,720	40,528
Grace Church, Markham Monument	4,639	4,371
Holy Trinity, Thornhill Care and maintenance	74,143	66,824
Janetville Care and maintenance	28,366	27,038
Lloydtown Care and maintenance	51,408	48,646
Lloydtown Monument	2,571	2,450
Middleton St. Clair Care and maintenance	3,632	3,343
Middleton St. Clair Capital gains	2,407	2,216
Redeemer Duntroon Care and maintenance	87,380	83,210
Redeemer Duntroon Monument	438	418
St. Clement Eglinton Care and maintenance	17,934	16,504
St. David, Everett Care and maintenance	28,752	26,575
St. George, Apsley Care and maintenance	15,747	14,701
St. George, Apsley Monument	2,957	2,717
St. George, Barrie Care and maintenance	22,724	20,881
St. George, Fairvalley Care and maintenance	43,513	36,137
St. George, Fairvalley Monument	6,341	5,472
St. George, Georgina Care and maintenance	69,405	60,862

# The Cemetery Fund

## of the Incorporated Synod of the Diocese of Toronto

### Notes to the Financial Statements

December 31, 2010

7. Funds held for parishes (continued)		<u>2010</u>		<u>2009</u>	
St. George, Georgina	Monument	\$	1,127	\$	961
St. George, Gore's Landing	Care and maintenance		16,424		15,655
St. George, Gore's Landing	Monument		1,276		1,216
St. George, Grafton	Care and maintenance		25,802		22,998
St. George, Grafton	Monument		2,709		2,485
St. George, Oshawa	Care and maintenance		10,113		9,286
St. George, Pickering	Care and maintenance		23,903		22,326
St. George, Pickering	Monument		2,206		2,002
St. James, Brock	Care and maintenance		27,874		26,568
St. James, Caledon	Care and maintenance		10,140		9,474
St. James, Crown Hill	Care and maintenance		-		1,995
St. James, Penetanguishene	Care and maintenance		133,111		126,198
St. James, Penetanguishene	Monument		10,659		9,731
St. James, Roseneath	Care and maintenance		9,436		8,994
St. James, Sutton	Care and maintenance		12,701		12,106
St. John, Norway	Care and maintenance		2,198,695		2,015,625
St. John, Norway	Monument		87,757		79,900
St. John, Norway	Pre-need		650,947		572,860
St. John, Blackstock	Care and maintenance		28,460		26,618
St. John, Blackstock	Monument		2,801		2,429
St. John, Cookstown	Care and maintenance		38,127		35,283
St. John, Craighurst	Care and maintenance		80,931		75,234
St. John, Ida	Care and maintenance		65,313		62,091
St. John, Ida	Monument		6,873		6,298
St. John, Matchedash	Care and maintenance		24,280		22,197
St. John, Matchedash	Monument		3,564		3,348
St. John (Dixie) Mississauga	Care and maintenance		3,382,654		3,288,065
St. John (Dixie) Mississauga	Monument		188,294		170,726
St. John, Mono	Care and maintenance		146,410		135,891
St. John, Mono	Monument		12,128		10,987
St. John, Oakridges	Care and maintenance		38,448		36,647
St. John, Tecumseth	Care and maintenance		50,766		45,391
St. John, Tecumseth	Monument		4,208		3,915
St. John, Waverley	Care and maintenance		18,479		17,613
St. John, Waverley	Monument		1,711		1,576
St. John, Whitby	Care and maintenance		56,465		52,866
St. John, Whitby	Monument		4,733		4,512
St. John, York Mills	Care and maintenance		281,258		250,960
St. John, York Mills	Monument		11,399		10,561
St. Jude, Wexford	Care and maintenance		49,659		46,918
St. Jude, Wexford	Monument		2,818		2,686
St. Luke, Hamlet	Care and maintenance		54,757		85,520
St. Luke, Hamlet	Investment		40,073		-
St. Luke, Hamlet	Monument		2,498		2,875
St. Luke, Mississauga	Care and maintenance		2,027		1,932

# The Cemetery Fund

## of the Incorporated Synod of the Diocese of Toronto

### Notes to the Financial Statements

December 31, 2010

7. Funds held for parishes (continued)		<u>2010</u>	<u>2009</u>
St. Margaret, West Hill	Care and maintenance	\$ 1,203,921	\$ 1,111,812
St. Mark, East Oro	Care and maintenance	8,500	8,101
St. Mark, Midland	Care and maintenance	73,196	68,261
St. Mark, Midland	Monument	10,764	9,784
St. Mark, Otonabee	Care and maintenance	38,955	37,130
St. Mark, Otonabee	Monument	237	226
St. Mark, Port Hope	Care and maintenance	4,757	4,416
St. Mary, Lifford	Care and maintenance	69,414	65,916
St. Paul, L'Amoreaux	Care and maintenance	45,150	43,035
St. Paul, L'Amoreaux	Monument	4,273	4,024
St. Paul, Cavan	Care and maintenance	24,235	23,049
St. Paul, Cavan	Monument	938	894
St. Paul, Columbus	Care and maintenance	43,222	39,524
St. Paul, Columbus	Monument	1,091	1,040
St. Paul, Coulson Hill	Care and maintenance	64,350	54,647
St. Paul, Innisfil	Care and maintenance	241,488	223,589
St. Paul, Innisfil	Monument	24,127	22,040
St. Paul, Lasswade	Care and maintenance	424	404
St. Paul, Newmarket	Care and maintenance	5,434	5,179
St. Paul, Washago	Care and maintenance	31,217	28,677
St. Paul, Washago	Investment	16,064	-
St. Paul, Washago	Monument	6,375	5,317
St. Peter, Erindale	Care and maintenance	113,887	116,467
St. Peter, Churchill	Care and maintenance	28,993	26,681
St. Peter, Churchill	Monument	1,153	1,051
St. Peter, Cobourg	Care and maintenance	254,662	236,400
St. Peter, Maple Lake	Care and maintenance	29,925	28,326
St. Philip, Etobicoke	Care and maintenance	928,541	837,861
St. Philip, Etobicoke	Monument	34,118	32,520
St. Philip, Etobicoke	Pre-need	74,156	60,425
St. Philip, Unionville	Care and maintenance	57,490	53,961
St. Philip, Unionville	Monument	1,091	1,040
St. Thomas, Shanty Bay	Care and maintenance	55,352	52,759
Trinity, Port Credit	Care and maintenance	32,811	31,133
Trinity, Streetsville	Care and maintenance	10,658	10,159
Trinity, Colborne	Care and maintenance	19,444	18,535
Total		\$ <u>12,618,724</u>	\$ <u>11,735,852</u>