



Mount
Pleasant
Group

2016 ANNUAL
REVIEW

PROVIDING MEANINGFUL CHOICE



Mount
Pleasant
Group

“

WE MAKE THE MEMORIES OF LIFE AND
THE WISHES OF LOVED ONES
THE HEART OF EVERYTHING WE DO.

”



8 FUNERAL CENTRE
LOCATIONS
(SINCE 1989)

4 CREMATION CENTRE
LOCATIONS
(SINCE 1933)

10 CEMETERY
LOCATIONS
(SINCE 1826)

PRESIDENT'S MESSAGE

When I meet people, they're often curious about the industry I work in. For many of them, working so closely to death seems an unusual career choice. But for the Mount Pleasant Group's over 500 employees, our work is more vocation than job. Helping people through one of the most difficult and challenging experiences of their lives is deeply rewarding for us.

Our passion for what we do naturally leads us to look for better ways to serve our customers; something we've been doing for nearly 200 years.

This Annual Review highlights some of the ways in which we're constantly innovating and improving. One key theme is the expansion and renovation of many of our properties and facilities. The GTA is growing rapidly, new cemetery land is difficult to find and the boomer generation is aging. We're preparing now for the impacts these trends will have on the bereavement industry.

In these pages, you'll see how the Elgin Mills and York Funeral Centres have expanded to better serve their communities with new entrances, renovated reception areas, visitation rooms and new catering facilities. And you'll read about how we have completely transformed the court mausoleum at Prospect Cemetery to add over 1,100 new crypts in an area of the GTA where no new land is available.

Another theme in this report is the importance of listening to our customers and providing them the choices they want, all the while doing our own research to forecast how social, cultural and religious trends are evolving.

Glass-fronted niches for cremated remains are just one example of this "listening and anticipating." These small

compartments hold urns and other mementos and provide a wonderful way to memorialize and celebrate the lives of loved ones. New niche inventory was created this year at several locations. York cemetery saw the opening of our second solar powered/geo-thermally climate controlled niche structure, building on a company-wide commitment to protect our local environment.

Finally, we're excited for you to learn more about our work in our communities. Mount Pleasant Group is proud to support hospice and palliative care organizations in all of the communities we live and operate in. These organizations provide invaluable support to many and the need for their services will only grow as our population ages. But we are also part of communities that extend well beyond the local. Many of our cemeteries are the final resting place for fallen soldiers and we have strong partnerships with local legions across the GTA. Prospect Cemetery is home to Toronto's first veteran's section and houses the largest First World War section in Canada. In this Annual Review you'll read about our work to prepare for the 100th anniversary of the end of The Great War.

We hope you enjoy this Annual Review, and that you feel some of the passion, dedication and innovative spirit that we bring to our work every day.



GLENN McCLARY

President
Mount Pleasant Group
of Companies

“

INNOVATION DRIVES
EVERYTHING WE DO,
FROM OUR APPROACH TO
FINANCIAL STEWARDSHIP
TO OUR INVESTMENTS
IN LEADING-EDGE
TECHNOLOGY TO OUR
CONSTANT DRIVE TO
ANTICIPATE AND THEN
MEET THE NEEDS OF A
RAPIDLY EVOLVING GTA
POPULATION.

”

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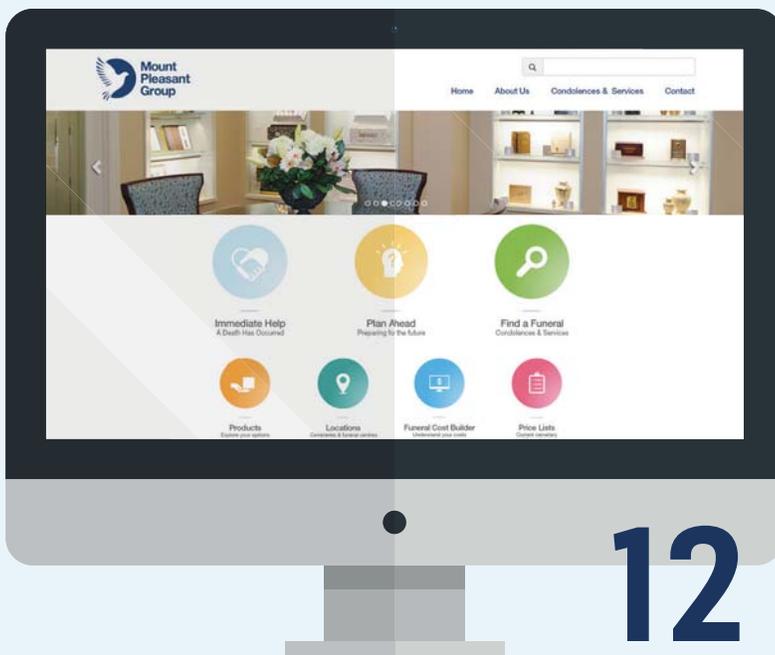
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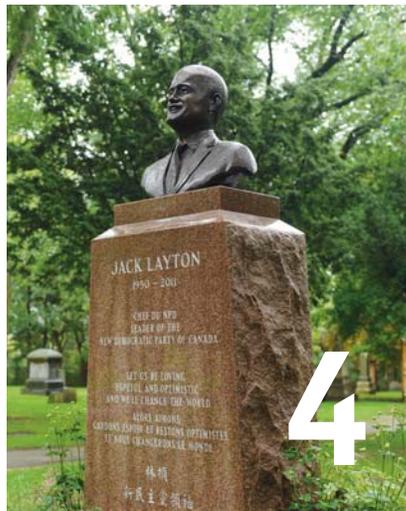
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“
FOR NEARLY 200 YEARS
WE’VE WORKED TO
ANTICIPATE
AND MEET THE NEEDS OF
AN EVER CHANGING GTA
POPULATION.
”

MOUNT PLEASANT GROUP HAS A LONG HISTORY OF INNOVATION

Canada in 2016, is a country of constant transformation and relentless innovation. Trends come and go quickly, as do technologies, businesses and even whole industries. But there are elements of human life that are more intractable. And in these areas, time is measured in centuries, not seasons.

For as long as there have been people, society has organized ourselves to help them bury, cremate, celebrate and memorialize the dead. While other professions have famously laid claim to the title of “world’s oldest,” perhaps the strongest case can be made for the death business.

The Mount Pleasant Group’s roots are deeper than most. We began serving Toronto’s burial needs nearly 200 years ago.

In the early 19th century, Toronto was a small Victorian community known as the Town of York. At that time, only Anglicans and Roman Catholics could be buried in an authorized cemetery adjacent to their local parish. Everyone else had to be buried outside of the city. In 1826, a group of community leaders

came together to create the York General Burial Ground and raised the needed funds to open Potter’s Field at the northwest corner of Yonge and Bloor streets. Here, anyone could be buried, regardless of religious denomination.

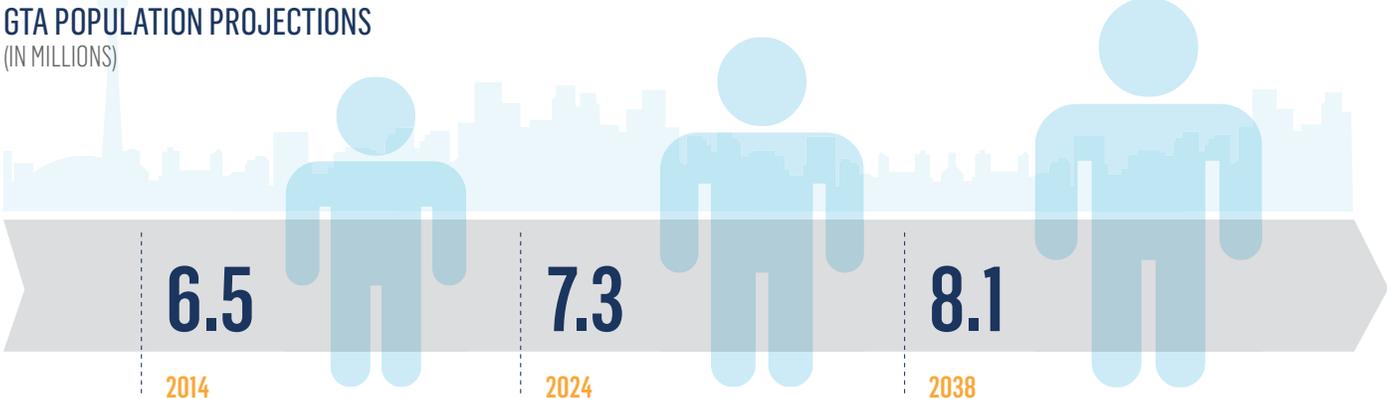
Nearly two centuries later, long after Potter’s Field had been relocated

to make way for a growing city, the York General Burial Ground is now called the Mount Pleasant Group and our organization has grown to include cemeteries, funeral centres, and cremation centres. But the core mission of the Mount Pleasant Group is largely unchanged from our 19th century roots.

To some, a business this steeped in history might seem static or outdated. And there is no question that very old religious and cultural traditions still guide how people choose to memorialize and bury their dead. But the Mount Pleasant Group has been innovative from the very beginning. And today, this innovative spirit drives everything we do, from our approach to financial stewardship, to our investments in leading-edge technology, to our constant drive to anticipate and then meet the needs of a rapidly evolving GTA population.

“
MOUNT PLEASANT GROUP WAS FOUNDED NEARLY 200 YEARS AGO ON AN INNOVATIVE CONCEPT – TO BE TORONTO’S FIRST NON-SECTARIAN CEMETERY – AND WE’VE BEEN INNOVATING EVER SINCE.
 ”

GTA POPULATION PROJECTIONS (IN MILLIONS)



Mount Pleasant Group is one of Canada's oldest not-for-profit organizations. This means we invest all of our revenues in excess of our expenses into our operations. It also means we don't have any owners or shareholders. We exist only to serve the GTA's funeral, burial and cremation needs.

Another important part of our financial stewardship is our Care and Maintenance Fund. This fund is what ensures that our cemeteries and properties will be cared for forever and never become a burden on the municipalities where they are located. Between 15 and 40 per cent of the cost of every grave, mausoleum crypt and cremation niche is transferred to the Care and Maintenance fund, and only the income from the fund is used to maintain the cemetery in perpetuity.

The Ontario government made Care and Maintenance funds mandatory for all cemeteries in the 1950s. At Mount Pleasant Group we created

ours nearly 70 years earlier, in the 1880s. Today, our fund sits at \$377 million in assets, which is the highest balance per developed acre of any cemetery in North America.

Caring for our properties in perpetuity is an important part of what we do, but meeting the rapidly changing social, cultural and religious needs of perhaps the most diverse city in the world is an equally important focus.

It would be unfair to assume that innovation like this is a uniquely 21st century phenomenon. Our founders were innovating when they chose to create a non-sectarian cemetery. Our 19th century leaders had the forethought to create a care and maintenance fund before one was required, we opened the first crematorium in Ontario, and we were the first in the GTA to bring all of the services our customers may require – funeral, cemetery and cremation – into one location.

As we look forward, the pace of change is only accelerating. The

environment and the importance of greenspace to GTA communities is one area of increasing focus, as is the question of how Canadians deal with, prepare for and choose to die.

We recognize that the role of our cemeteries is changing and we partner closely with local communities who use our properties and facilities. We are also working hard to preserve and improve our natural environments. We maintain the largest private arboretum in North America and are focused on reducing water and energy use, on recycling of soil and plant matter and on encouraging passive recreation at our cemeteries.

Finally, we are also proud to be deepening our relationships with and support of Hospice and Palliative Care organizations across the GTA. Their staff and volunteers travel a similar path to ours and together we are able to have a positive impact on our communities.

In recent years, Mount Pleasant Group has brought industry leading innovation to the GTA.



OUR CREMATION CENTRES ARE TRANSFORMING THE CREMATION PROCESS BY INCORPORATING WITNESSING AS A SERVICE OF CHOICE, WHILE ALSO USING THE CLEANEST, MOST ADVANCED CREMATION EQUIPMENT IN NORTH AMERICA, ELIMINATING VIRTUALLY ALL EMISSIONS CREATED BY THE PROCESS.



WE CREATED THE FIRST NATURAL BURIAL SITE IN THE GTA; A FINAL RESTING OPTION THAT ALLOWS THE BODY TO RETURN TO THE EARTH IN AS NATURAL A WAY AS POSSIBLE.



WE ARE CONTINUALLY CREATING NEW WAYS TO MEMORIALIZE LOVED ONES AFTER CREMATION. GARDENS OF REMEMBRANCE, MAUSOLEA, CUSTOM-DESIGNED NICHE BUILDINGS (SOME POWERED BY GEOTHERMAL AND SOLAR SOURCES) AND SCATTERING AREAS ARE AVAILABLE AT MANY OF OUR PROPERTIES.



MEADOWVALE FUNERAL CENTRE

Meadowvale Funeral Centre sits within Meadowvale Cemetery's beautifully landscaped 127 acres at the intersection of Mavis Road and Highway 407 in Brampton, ON. The cemetery has served families in Brampton, Mississauga, Halton and the surrounding communities for 35 years. In 2010, a Funeral Centre was added to serve the growing demand of those wanting to make all of their funeral, burial and cremation arrangements at one location.

The Meadowvale Funeral Centre is not what most of us think of as a traditional funeral home. When you enter through the front doors, you are greeted by warm, comfortable surroundings. Natural light streams through skylights, reflecting on stone walls and porcelain tiles. Water gently cascades down a living plant wall, filling the room with a soothing murmur. A large hallway leads to a fireplace. Everything was designed to celebrate life and comfort those who have suffered a loss.

In the Great Hall, light cascades through a series of triangular glass windows in the vaulted ceiling. The hall, referred to as Meadow Hall, is non-denominational but has religious and cultural items to accommodate virtually all customs, traditions, and beliefs. It is equipped with audio visual equipment to play music and show personal photos or videos. Chairs can be removed for those wishing an alternative setup.

Meadow Hall, and the Orchid and Trillium suites are available for those who wish to host a visitation, funeral



Great Hall



Visitation Room



Visitation Room



Reception Room



Outdoor Patio

or commemorative service. These adjoining rooms can be arranged according to your wishes, either separately for small intimate groups, or combined to accommodate up to 300 guests. A coffee lounge is available to all visitors. A “ritual room” is available for those whose customs call for the family to participate in the washing and clothing of the body prior to the funeral service.

Our reception and catering facilities are available for hosting gatherings following a service in the Lily and Forget-Me-Not suites. These naturally bright rooms are also equipped with audio video technology, fireplaces, and open onto an outdoor patio. Comfortable administration offices are located adjacent to the main lobby and coffee lounge. Products and services can be selected by visiting our boutique product room which sets a new standard for our industry.

Families choosing cremation or burial at Meadowvale Cemetery have the convenience of not having to leave the property, and soon will have a new state-of-the-art Cremation Centre with the ability to accommodate the witnessing of a cremation, a growing tradition. Families choosing burial can walk or travel by car through the cemetery grounds to graveside, without having to navigate congested city streets. Of course, our funeral staff will also be pleased to assist families who wish to arrange a funeral at a church, mosque, another cemetery, crematorium, or any other place of their choice.



Coffee Lounge



Product Selection Room



Casket Display Room



Entrance Hall



Gathering Hall



THE MAUSOLEUM OF THE LAST SUPPER

The demand for mausoleum crypts continues to be strong. But in a dense urban area like Toronto, where cemeteries are filling up, available land is limited. Meeting the demand for crypt inventory is becoming more and more difficult. Nowhere was this challenge felt more than at Prospect Cemetery, our 125 year-old cemetery on St. Clair Ave. West and Lansdowne Ave. in Toronto.

With limited options for additional crypts at Prospect Cemetery, Mount Pleasant Group embarked on an ambitious, nearly six year plan to expand an existing court mausoleum by adding a third floor while enclosing the vast majority of the existing structure.

After extensive engineering studies, four years of planning, design and consultation with existing rights holders, obtaining the necessary government approvals, and 16 months of construction, the project is now complete. We are pleased to announce that new crypt inventory in the Mausoleum

of the Last Supper at Prospect Cemetery is now available to families.



The Last Supper
bronze sculpture featured at the
Mausoleum Entrance

The new mausoleum was inspired (and given its name) by a one-of-a-kind, three dimensional, hand sculpted bronze casting of the Last Supper by Biondan LP in Verona, Italy, which prominently adorns the enhanced mausoleum entrance.

Prospect's Mausoleum of the Last Supper provides customers with a choice of more than 1,100 individual or companion crypts and many options of both granite and glass fronted niches. The new third floor crypts are faced with Italian white Carrera marble crypt fronts. All third floor crypts come with custom bronze cast vase/vesper light combinations and will be inscribed using individual bronze letters.

The newly enclosed structure features large windows overlooking St. Clair Ave West and the cemetery grounds. Skylights allow natural sunlight to cascade into the central courtyard which has been created to host committal and rosary services, and our annual All Souls' Day ceremony. Religious statuary and benches have been strategically placed throughout the building.



Outdoor crypts now climate controlled and indoors



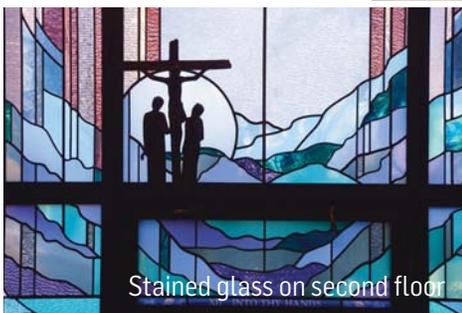
Vase/Vesper Light



Roman columns on third floor



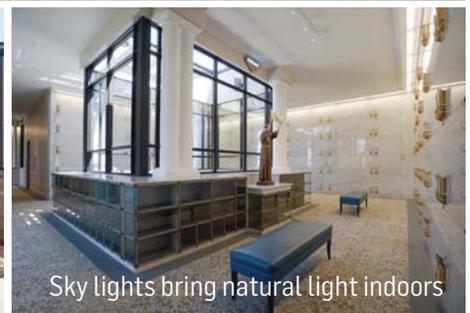
White Italian Carrera marble on third floor



Stained glass on second floor



Mausoleum Entrance



Sky lights bring natural light indoors

ELGIN MILLS FUNERAL CENTRE EXPANSION



Reception Facilities

In 2000 Mount Pleasant Group was proud to be the first to combine funeral, burial, and cremation services under one roof to serve residents of the northern GTA. The community has embraced this approach and demand has grown to the point where our original building couldn't meet the demand, and thus we began the process of re-designing, renovating and expanding the Elgin Mills Funeral Centre.



Funeral Centre Reception



Arrangement Room



Chapel

Our enlarged and renovated facilities opened in 2015 and feature a 250-seat chapel and separate entrances for the offices, the Funeral Centre, and Cremation Centre, and state-of-the-art cremation equipment with witnessing facilities. It has three large visitation rooms which can also serve as small chapels, a coffee lounge, an outdoor patio and two reception rooms complete with catering facilities.

The new Funeral Centre allows Elgin Mills to provide greater value and unprecedented choice for this growing community. It is the only location in Richmond Hill, Markham, or Vaughan which can provide visitation prior to a funeral or commemorative service, a funeral service, a catered reception, cremation and burial services, in one location, and if desired, all in the same day.



Product Selection Room



Casket Display Room



Visitation Room



Central Hall



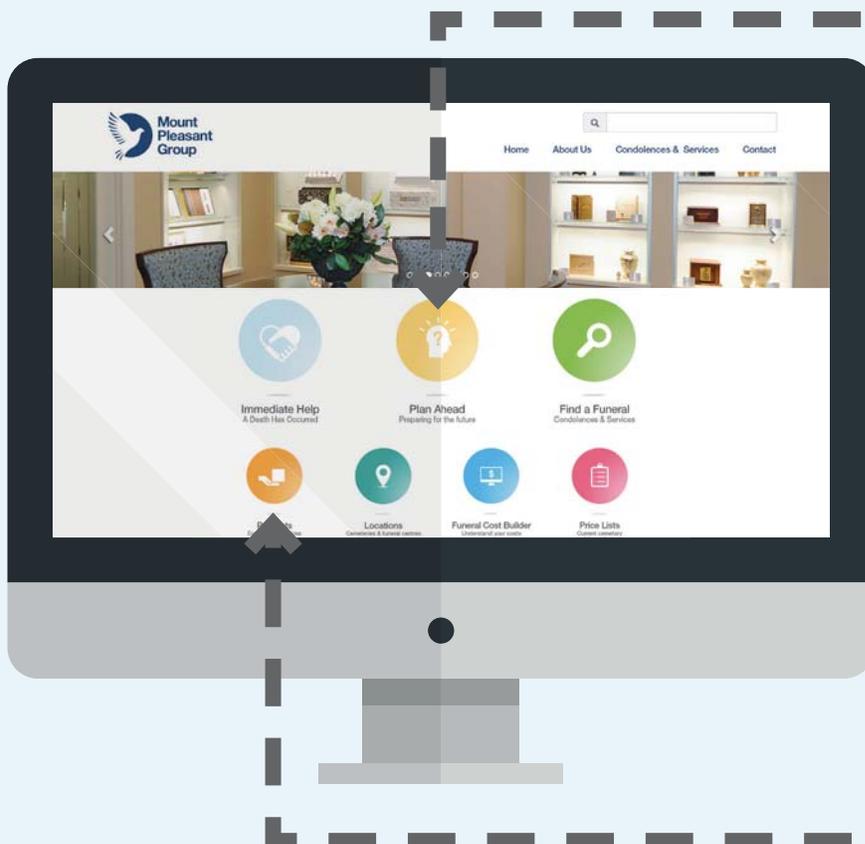
Administration Entrance



Visitation Room

RE-ENGINEERING OUR CORE COMMUNICATION MEDIUM

In today's information-driven world the importance of an organization's web site cannot be over-stated.

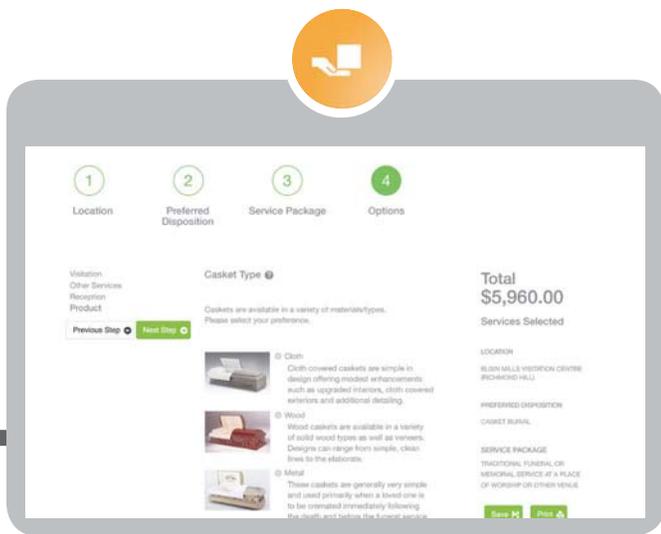
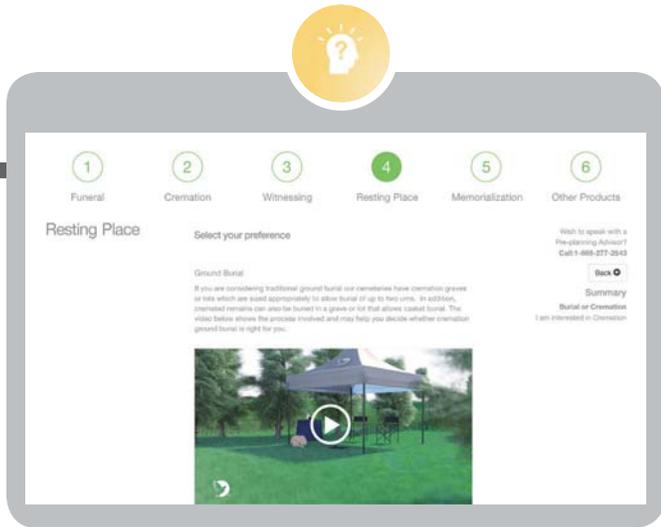


If we need to know more about a company there are several approaches we may take. We may ask friends and family if they have had any experience with the organization. We may search for articles or news stories. We may seek out company literature. But almost always, without question we eventually find ourselves searching for the company's web site. If there isn't one, it's an immediate C-, we write them off. If there is a site but it is poorly structured or lacking relevant and useful information we might give it a B+ but we'll still be inclined to discount the company. A company's web site is where first impressions are made and they provide the window through which the public can learn to love you or hate you.

Web sites can take on many forms. In some cases they are simply online brochure ware – pretty digital versions of their promotional collateral materials.

Others may be full-fledged e-commerce sites where you can conduct your selections and finalize your purchase without leaving the comfort of your home. Other sites are strategically designed with one purpose in mind – to generate sales leads. When it comes to the Mount Pleasant Group corporate web site, our philosophy is simple. We see the site as an information-rich resource that helps to demystify the cemetery and funeral world for the public. It's meant to be an open book that helps people understand the options available to them in a non-judgmental and neutral way. It is meant to mirror how we strive to serve our customers in our face-to-face interactions.

The underlying approach to our web site hasn't changed over the years. Nor has its look since 2009. Badly in need of a fresh new interface and a more intuitive navigation structure, our web site was completely



Immediate Help
A death has occurred



Plan Ahead
Preparing for the future



Find a Funeral
Condolences & Services



Products
Explore your options



Locations
Cemeteries & funeral centres



Funeral Cost Builder
Understand your costs



Price Lists
Current cemetery and funeral prices



News and Events
Items of interest



Resources
Guides, checklists, support & more



FAQs
Answers to your questions



About Us
Our purpose, vision and values, corporate oversight, careers, etc.

re-engineered this past year. As we addressed the shortcomings of the old web site we saw an opportunity to enhance its usefulness with the introduction of “tutorials” designed to shed light on the types of choices one will have to make. Whether the visitor has just experienced a loss or is researching pre-planning needs, the tutorials provide a primer on what to expect, the multitude of product and service options available and a documented summary of their selected preferences for future reference. A useful feature built into the design of the tutorials is smart logic which eliminates irrelevant products based on the choices the visitor makes as they work through the steps.

The site also includes a funeral cost estimator. While the tool itself isn't new (the concept was introduced with our site launch in 2009), we have given it a fresh new face lift. As users work through the estimator they build

their funeral arrangement and see in real time a running total of the costs associated with their selections. A useful benefit is the user can research and create different service variations and when they have a good sense of what they want they can then meet with a funeral director to discuss the finer details.

The site strives to provide a wealth of unbiased information. FAQs are extensive and there are ample links to government and bereavement support group resources offered. As one navigates through the site they will notice a common theme – openness and neutrality. Price lists are freely provided. Collateral materials are accessible with no strings attached. Details relating to the company's structure, governance and management are openly transparent. The web site is meant to be a resource to the user and a reflection of how we work with our customers.

PREPARING FOR THE 100TH ANNIVERSARY OF WWI

Caring for the graves of those who died serving Canada in military wars is a responsibility that we take very seriously. Each of our cemeteries has strong partnerships with local legions and we host annual Remembrance Day services across the GTA. Meadowvale Cemetery in Brampton is home to Canada's national Korea War Memorial and Prospect Cemetery is home to the most WWI veteran burials in Canada.

116TH B^{ATTN} C.E.F.
PTE JOHN STODDART
- 1879 - 1942



In preparation for a 2017 ceremony commemorating the 100th anniversary of the end of WWI, Mount Pleasant Group began working with the Commonwealth War Graves Commission to develop the plans for an event at Prospect Cemetery to honour this important and solemn day.

During the First World War wounded service men and women were flown home and treated in temporary hospitals on the grounds of the CNE, however there was no place for burial for those that died from their wounds. Officials of the Canadian military, the Canadian government, the City of Toronto, and the Board of Directors of Mount Pleasant Group met to come up with a solution. As a result of these discussions we agreed to open Toronto's first veterans section at Prospect Cemetery. The design and construction began in 1917.



Section re-grading



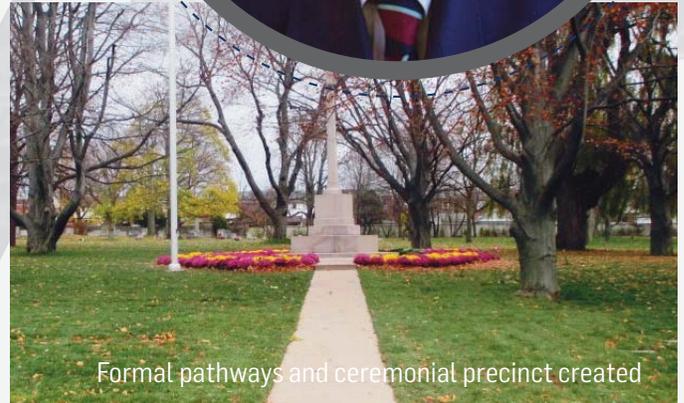
Markers cleaned and re-leveled



Arboretum and landscaping upgrades



In 2014 we began a three-year program to update, refurbish and re-landscape the WWI section at Prospect Cemetery. We began with extensive pruning of the trees, completed under the watchful guidance of our in-house arborist. Next, the Cross of Sacrifice, a monument symbolic of the Commonwealth War Graves Commission throughout the world, was cleaned and the 25 pounder anti-tank gun feature was refinished. Finally, formal patterned concrete sidewalks and new granite stairs were installed and a ceremonial precinct used to place memorial wreaths each Remembrance Day was constructed.



Formal pathways and ceremonial precinct created

The next year, 2015, saw the largest transformation of the section. Using lasers, levels and string lines a crew of more than 20 individuals worked through the spring, summer and fall to raise and level all 5,300 markers. The entire section was re-graded and sodded. All of the memorials were cleaned and any deteriorated markers discovered during this process were replaced. Finally, a new memorial to our Canadian veterans was placed on Section One using Laurentian pink granite and antiqued bronze to match the Cross of Sacrifice.

Physical work on the grounds is now complete but the project is not finished. During 2016 Mount Pleasant Group staff, with the support of the Commonwealth War Graves Commission, the Department of National Defence, Veterans Affairs Canada, and the Canadian War Museum in Ottawa, will be developing a “virtual museum” about the history of WWI and the impact it had on Canada, Toronto, and its citizens. Historical plaques will be positioned on the west side of the section, and stories, pictures, and videos will be activated through use of mobile technology. Our goal is to unveil this “virtual museum” prior to the 100th anniversary of Vimy Ridge in 2017.





YORK CEMETERY OPENING ANOTHER SOLAR/ GEOTHERMAL NICHE “COTTAGE”

“
THE GTA CREMATION RATE
HAS GROWN FROM 57%
OF ALL DEATHS IN 2005 TO 64%
IN 2014. IT IS ANTICIPATED TO
INCREASE TO 80% BY 2038.
”

When we built and opened North America's first solar - geothermal niche building at York Cemetery five years ago, no one could have predicted how successful the technology would be or how popular the cremated remains niches would become.

Geothermal buildings use the earth's relatively constant temperature to cool buildings in summer and warm them in winter. The system involves circulating fluid through an "earth loop" buried deep in the ground. In winter the loop absorbs stored heat and carries it indoors, where it is used to warm the building. The process is reversed in the summer when the earth's temperature is cooler than surface temperatures, creating a cooling effect.

With a goal of keeping the building off the grid, solar roof panels were added to absorb the energy from the sun and convert it to electricity to illuminate the building using low energy LED (light emitting diode) bulbs.

The ability to view cremation urns, display memorabilia, and tell a story about a life within the glass fronted niches in a secure climate controlled environment was well received. The "cottage" as it has come to be

affectionately known was now ready for a second solar - geothermal niche building to join it. Construction began during the summer of 2014 and continued through the fall and winter months with landscaping completed in the spring of 2015. This new "Cottage" adds 231 individual and family interior glass niches, and 210 individual and family exterior black granite niches.

Mount Pleasant Group is the industry leader in providing meaningful choice for cremation customers. Our Gardens of Remembrance provide a multitude of options throughout the GTA including: indoor and outdoor niches, cremation monument lots, forests of remembrance, water features, scattering locations, and scattering ossuaries to name a few.



Interior Glass Niches



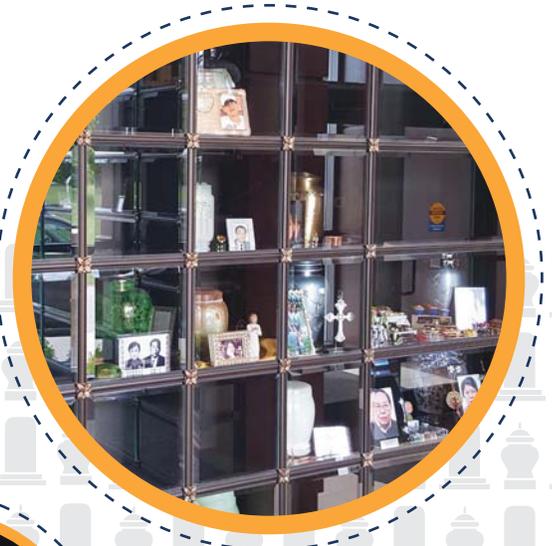
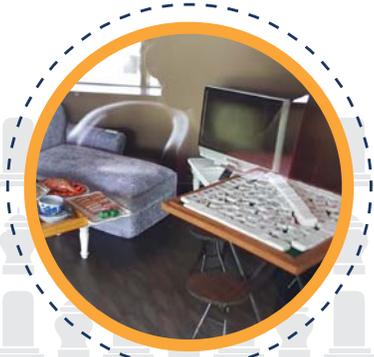
Exterior Granite Niches



NEW GLASS-FRONTED NICHEs AT ELGIN MILLS

Glass-fronted niches for cremated remains are becoming more and more popular. These small compartments are located in secure, climate controlled buildings which facilitate visiting 12 months of the year. The urns that they house can be displayed in full view along with personal inscriptions, artifacts and memorabilia that tell a story of the individual's life.

Mount Pleasant Group provides glass niche offerings at eight GTA locations which includes a recent addition within Elgin Mills Cemetery's Mausoleum of the Heavens. The hall of niches features richly finished mahogany walls and mouldings with natural sunlight cascading through large side windows and skylights. The new hall of niches will be enlarged in phases. Over 1,000 individual and family niches were released in 2015.



Glass-fronted niches provide for individual personalization

PROMOTING PRE-PLANNING WITH PARODY



Death... it's a subject none of us really wants to talk about. While most people will tell you that pre-planning funeral arrangements is something that makes a great deal of sense, many still put the notion on hold. Yet, it's a conversation that we genuinely believe should take place, so how do we help it along?

OUR APPROACH: Take a departure from our typical advertising convention, add a solid dose of technology, stir in a liberal helping of what's topical and give people a product that takes the guesswork out of pre-planning. Give them a Quitbit.

The concept behind our ad campaign in 2015 was quite simple. What if there was a wearable technology device that could tell you exactly when your time is up? A device that could alert you when you should start to prepare your final goodbyes and get your arrangements in order?

A play on Fiband®, Quitbit offered to do just that. With technology where it is today plus our increasing obsession with "the internet of things" the concept was just believable enough to be something real. Of course it isn't, but the gag wouldn't be revealed until long after the audience was drawn into the product pitch. Only then would they be



told that until Quitbit was ready the best way to prepare for their final goodbye is to pre-plan with Mount Pleasant Group.

Banking on the fact that fitness doesn't discriminate by age and that a growing number of our target market is more in-tune with technology than we ever imagined, we felt the ad would connect with a broad range of people. And it did. The ad, which appeared in digital mediums including Youtube, quickly went viral gaining traction among our target audience. In an engaging and rather unconventional way the ad reinforced that we don't know when our

time is up. Ultimately, it helped to drive traffic to a dedicated web site where visitors could learn more about planning for the unexpected.

Our hope is that a clever parody and a little tongue-in-cheek humour is enough to get an important conversation started.

At least until you can order your very own Quitbit.

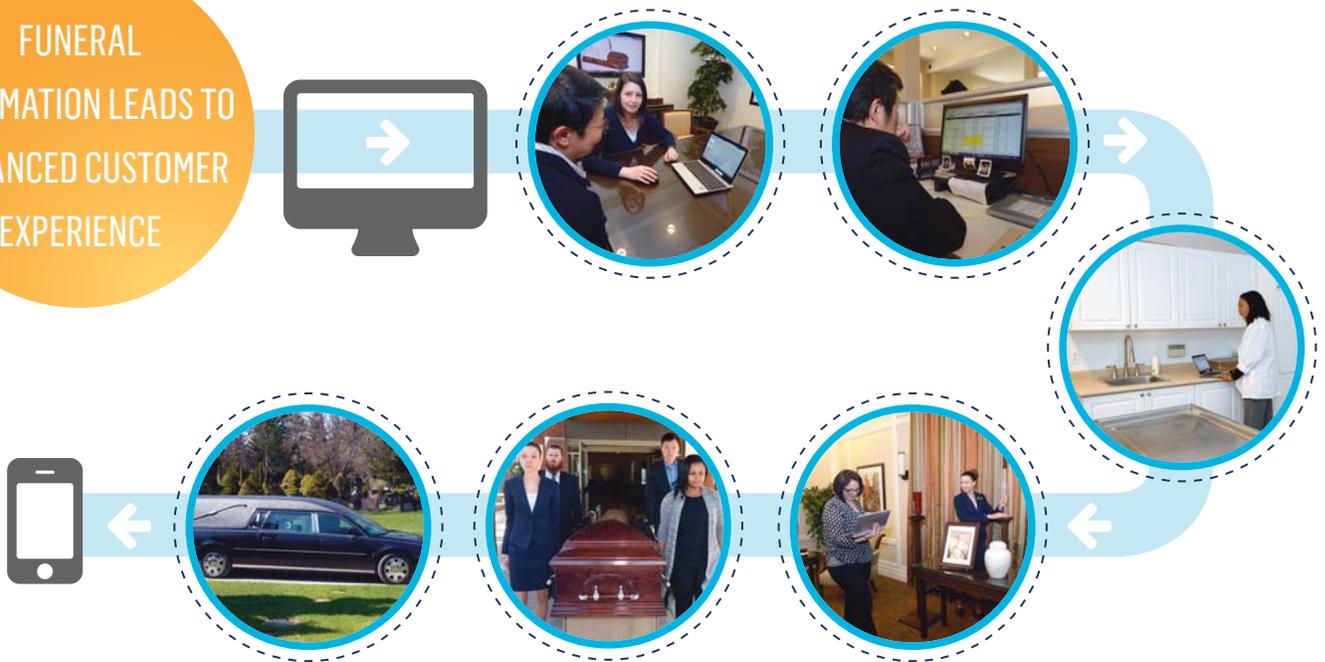
MOUNT PLEASANT GATES IMPROVE SAFETY

This year, we designed and installed a new entrance way to Mount Pleasant Cemetery on Mount Pleasant Road. The limestone columns and wrought iron gates were designed by Janet Rosenberg & Studio. The four foot tall hand crafted bronze lanterns adorning the tops of the columns were designed by Lighting Nelson and Garrett, third generation craftsmen specializing in historical restoration and reproduction.



The wider vehicular drives, fully-accessible walk-in gates, and after hour's illumination improves public visibility and safety while maintaining the heritage character of the 140 year-old cemetery. The east entrance gates are programmed to close based on posted cemetery visiting hours. Pressure sensors embedded within the cemetery roadway detect vehicular traffic and automatically open to allow visitors to our funeral centre to exit the property after cemetery closing hours.

FUNERAL AUTOMATION LEADS TO ENHANCED CUSTOMER EXPERIENCE



With our 8 funeral centres now serving over 4,600 families annually and continuing to grow, we were finding that our old manual processes and documentation were no longer effective. We needed to find more effective ways to capture exchange and store information in order to best serve our customers. For this reason, we undertook the extensive task of automating our funeral operations over the past several years. In 2015, we completed the project and

eliminated the need to record and maintain information in paper files. Instead, we now capture customer information and service details within our computer system. We have also transferred our paper documents from previous years onto a secure electronic database. Our staff can now access all of these records from their desks and mobile devices enabling them to offer our customers more efficient and effective service.



DUFFIN MEADOWS CEMETERY

Through the decades, as Toronto's population grew, the towns that dotted the 905 regions of the GTA began to evolve from small, self-contained communities to being part of a thriving metropolis. It's often difficult for infrastructure to keep up with rapid growth and cemeteries are no different.



Natural Burial Section



Cemetery Office

Mount Pleasant Group has grown along with the communities we serve. In 1982 we acquired an 83 acre property on the east side of Brock Road, north of Rossland Road in the rural Pickering countryside. It was well north of the Pickering and Ajax populations which centered along Sheppard Avenue East (old Highway 2) understanding that the populations would eventually move north and that the future cemetery would become an important green space to the community.

With Highway 401 to the south, plans to build Highway 407 to the north, and plans to upgrade Brock Road to a main north-south arterial road, the cemetery location would be easily accessible and serve the populations of Pickering, Ajax, Scarborough, and the western half of Durham Region. We leased the property back to the previous owner and beef and dairy cattle continued to graze the rolling fields for the next 20 years. To this date a portion of the property continues to be used by a local farmer to grow vegetable crops for sale at a local market.



Cremation Garden of Remembrance



Chinese "Ting" Feature



Cremation Niche Bench

In 1990, the process of master planning the property and obtaining government approvals began. The cemetery plan took advantage of the rolling hills, natural valley lands and meandering West Duffins creek at the east end of the property. The existing farm house would be preserved, and converted into the cemetery office.

In 1993, Duffin Meadows Cemetery opened its gates and began serving the surrounding communities.

The cemetery has quickly grown into one of the region's major cemeteries. Individual and multi-family grave lots are available for burial along with lots for private family mausoleums consistent with other MPG cemeteries. A veterans section was created to recognize the men and women who have served in Canada's armed forces.

The Garden of Remembrance (a landscaped area designed to accommodate the burial of cremated remains) terraces majestically down to a natural pond and fountain. Options within the garden include: in-ground burial with flat or upright granite memorials, boulder memorials, granite columbarium niches, and columbarium benches.

Many religious organizations have purchased special areas to serve their congregations well into the future. Muslim communities can choose graves that face south-east towards Mecca. Under the direction of a feng shui master, a south sloping section has been designed to serve our Asian community and includes Gate of Heaven and Ting features which play an important role for family remembrance celebrations. Or, for those who prefer a more natural setting, Duffin Meadows is home to one of only two natural burial areas in the GTA.

It's now been 23 years since Duffin Meadows opened its gates. What started as a quiet rural cemetery has quickly been enveloped into the urban community and is now surrounded by residential development. Community walking and bicycle trails will be constructed across the front of the cemetery by Durham Region in 2016. With less than half the cemetery developed Duffin Meadows will continue to serve area communities for decades to come.

We invite you to take a walk through our grounds, enjoy the peace and tranquility of our water features, and drop by the cemetery office to see how our staff can be of service to you.

HELPING FAMILIES REMEMBER

Every year thousands of people join us to remember a family member or friend at our annual Memorial Services, Candlelight Services, Remembrance Day Services, Mother's and Father's Day events, Summer Concerts, History Walks, Arboretum Tours or Tree lighting ceremonies.

Dove Releases



Summer Concerts



Mother's Day



Candlelight Services



Memorial Services



“

OUR SUPPORT DOESN'T
END AFTER THE FUNERAL,
BURIAL, OR CREMATION.
THAT'S JUST THE BEGINNING!

”

History Walks



Remembrance Day



Annual Tree Lighting



PALLIATIVE AND HOSPICE CARE SUPPORT

Community Hospice Fundraising

Mount Pleasant Group recognizes the increasing importance palliative and hospice care plays within our communities as our population ages, and we are active supporters within our local communities. Our Funeral Centres provide meeting facilities free of charge to local non-profit organizations.



With experience in cultural diversity and end-of-life practices we provide training to local groups and their volunteers. We serve on local boards, volunteer our time, help organize and participate in fund raising activities, host annual remembrance services, and provide much needed financial support for local programs.

We are also proud to endorse and support the Hospice Palliative Care Ontario Centre of Excellence program.

Hospice Palliative Care Ontario (HPCO) is a leader in Canada's hospice palliative care movement. Over the last 25 years HPCO has grown the hospice palliative care movement to more than 80 hospice programs which includes 39 residential hospices.

Each year, 13,500 volunteers contribute over 750,000 hours to providing care for over 21,000 people at home and more than 4,000 people in residential hospices.

Through partnerships with local hospices, and community organizations, the Centre provides volunteer training curricula, standards, best practices, policies, and a comprehensive accreditation program for hospices.

The Centre facilitates research and provides public resources such as Advance Care Planning tools and education, supporting local hospice programs to become regional Centres of Excellence for Hospice Palliative Care.

“

MOUNT PLEASANT GROUP IS PROUD TO SUPPORT OUR LOCAL HOSPICE ORGANIZATIONS AND THE HOSPICE PALLIATIVE CARE ONTARIO 'CENTRE OF EXCELLENCE'.

”



The Healing Cycle



Durham Hospice Hike



RENOVATING YORK FUNERAL CENTRE

After a long fall and winter of construction at York Funeral Centre in North York, we're pleased to announce that we've finished phase one of our ambitious renovation. Inside the Funeral Centre, we've refreshed the entrance lobby, redesigned the visitation rooms, enlarged the reception room, improved our catering facilities, added a coffee bar, upgraded the product room, modernized the arrangement rooms, and refurbished the chapel.



Reception Room



Visitation Room



Entrance Lobby



Visitation Room



Casket Selection Room



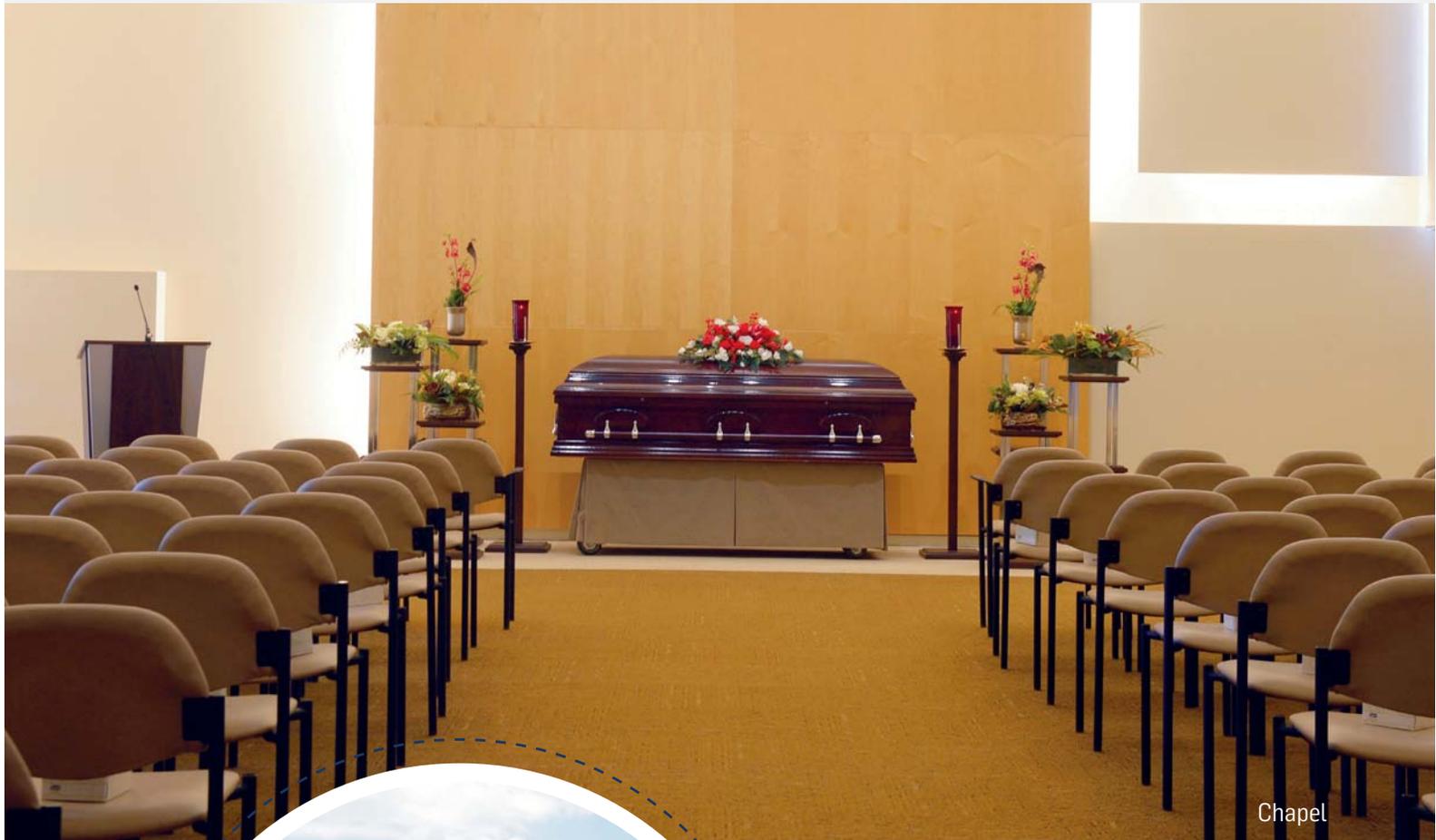
Product Selection



Product Display



Arrangement Room



Chapel



Outdoor Patio

The second phase of the renovation will begin during 2016. This phase will see us add an additional visitation room, expand the reception areas, and complete separate funeral and administration entrances. We expect the full renovation to be complete in 2018.

DIRECTORS & SENIOR MANAGEMENT

MOUNT PLEASANT GROUP OF CEMETERIES BOARD



RICHARD BOXER
Finance &
Investment Chair



DIANE CHABOT
Chair



DAVID CROMBIE
Lead Chair,
Governance &
HR Chair



THOMAS DI GIACOMO
Finance &
Investment
Committee



MARILYN EMERY
Finance &
Investment
Committee



BRENT HOULDEN
Finance &
Investment
Committee



GLENN MCCLARY
Director



ANNE SADO
Governance &
HR Committee



KEVIN SHEA
Governance &
HR Committee



CONNIE SUGIYAMA
Governance &
HR Committee

CANADIAN MEMORIAL SERVICES BOARD



ANGIE AQUINO
Director



WENDY CECIL
Director



MARILYN EMERY
Director



GLENN MCCLARY
Chair

SENIOR MANAGEMENT TEAM



DIANE CHABOT
CEO



GLENN MCCLARY
Cemetery
President



ANGIE AQUINO
Funeral
President



JANET MURRAY
CFO



GLEN TIMNEY
Vice President
Corporate
Development



LOUISE MACLEAN
Director HR



RICK COWAN
Asst. Vice President
Marketing



JEFF DENNIS
Director
Development



DENNIS MOIR
Director Property
Management



NATHAN JOHNSON
Director
Client Services



PIM ROM-COLTHOFF
Director Information
Technology



GOWRI THILEEPAN
Controller



**Mount
Pleasant
Group**

2016 CONSOLIDATED
FINANCIAL
STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of
Mount Pleasant Group of Cemeteries

We have audited the accompanying consolidated financial statements of **Mount Pleasant Group of Cemeteries**, which comprise the consolidated balance sheet as at March 31, 2016, and the consolidated statements of revenue and expenses, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including

the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity'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 consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of **Mount Pleasant Group of Cemeteries** as at March 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
June 27, 2016

CONSOLIDATED BALANCE SHEET

[in thousands of dollars]

As at March 31

	2016 \$	2015 \$
ASSETS		
Current		
Cash and cash equivalents	6,115	20,787
Accounts receivable	17,198	20,835
Other	2,707	1,387
Total current assets	26,020	43,009
Long-term accounts receivable	37,622	35,783
Investments [note 3]	609,489	615,363
Cemetery properties	46,114	37,957
Capital assets, net [note 4]	53,790	49,724
Other	400	400
	773,435	782,236
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities [note 6]	19,022	33,424
Total current liabilities	19,022	33,424
Deferred prepaid trust [note 7]	183,947	176,984
Other deferred revenue [note 8]	3,158	5,820
Accrued benefit liability [note 14]	7,182	8,112
Total liabilities	213,309	224,340
Commitments and contingencies [notes 5 and 12]		
Net assets		
Externally restricted funds for care and maintenance [note 9]	377,275	385,157
Endowments	4,274	4,349
Internally restricted [note 10]	40,255	41,799
Unrestricted	138,322	126,591
Total net assets	560,126	557,896
	773,435	782,236

See accompanying notes

On behalf of the Board:



Board Chair



Director

CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES

[in thousands of dollars]

Year ended March 31

	2016 \$	2015 \$
REVENUE		
Sales <i>[note 7]</i>	67,989	58,956
Care and maintenance <i>[note 8]</i>	13,249	12,859
Other	470	774
	81,708	72,589
EXPENSES		
Direct <i>[note 15]</i>	19,519	16,770
General and administrative <i>[note 15]</i>	38,551	36,688
Care and maintenance <i>[notes 8 and 15]</i>	13,249	12,859
	71,319	66,317
Excess of revenue over expenses before the following	10,389	6,272
Gain on Langstaff land sale <i>[note 18]</i>	—	16,012
Investment income (loss) <i>[note 11]</i>	(1,685)	6,114
Excess of revenue over expenses for the year	8,704	28,398

See accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

[in thousands of dollars]

Year ended March 31

	2016					2015
	Externally restricted funds for care and maintenance \$	Endowments \$	Internally restricted \$	Unrestricted \$	Total \$	Total \$
Net assets, beginning of year	385,157	4,349	41,799	126,591	557,896	492,927
Excess of revenue over expenses for the year	—	—	—	8,704	8,704	28,398
Remeasurements related to employee defined benefit plan	—	—	—	1,483	1,483	(86)
Transfers <i>[note 10]</i>	—	—	(1,544)	1,544	—	—
Contributions	11,708	102	—	—	11,810	10,686
Net gain (loss) on investments held for care and maintenance and endowments <i>[note 11]</i>	(19,590)	(177)	—	—	(19,767)	25,971
Net assets, end of year	377,275	4,274	40,255	138,322	560,126	557,896

See accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

[in thousands of dollars]

Year ended March 31

	2016 \$	2015 \$
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	8,704	28,398
Add (deduct) items not involving cash		
Amortization of capital assets	4,452	4,565
Net loss (gain) on investments	3,924	(4,189)
Gain on Langstaff land sale	—	(16,012)
Employee benefits expense related to defined benefit plan	694	809
	17,774	13,571
Net change in non-cash balances related to operations <i>[note 13]</i>	(17,780)	23,130
Care and maintenance and endowment contributions	11,810	10,686
Net purchase of investments held for care and maintenance, endowments and prepaid trust funds	(14,193)	(21,739)
Employer contributions to defined benefit plan	(141)	(116)
Cash provided by (used in) operating activities	(2,530)	25,532
INVESTING ACTIVITIES		
Net purchase of investments held for unrestricted and internally restricted	(3,624)	(22,680)
Purchase of capital assets	(8,518)	(4,205)
Proceeds from Langstaff land sale	—	16,098
Cash used in investing activities	(12,142)	(10,787)
Net increase (decrease) in cash and cash equivalents during the year	(14,672)	14,745
Cash and cash equivalents, beginning of year	20,787	6,042
Cash and cash equivalents, end of year	6,115	20,787

See accompanying notes

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

1. PURPOSE OF THE ORGANIZATION

Mount Pleasant Group of Cemeteries [the “organization”] controls the operation of ten cemeteries, three funeral homes and five funeral centres in the Greater Toronto Area. Its purpose is to bring some comfort to an otherwise difficult experience by offering each and every person compassion, care and choice.

The organization is a corporation without share capital that was formed by Special Act and is governed by the *Corporations Act* (Ontario). It is a not-for-profit organization and is tax-exempt under the *Income Tax Act* (Canada).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are prepared in accordance with Part III of the Chartered Professional Accountants of Canada [“CPA Canada”] Handbook – Accounting, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.

Basis of presentation

The organization consolidates its controlled entity Canadian Memorial Services.

Revenue recognition

Revenue related to the sale of interment rights is recognized when the contract is signed and a deposit has been received. Revenue from the sale of products and services is recorded when the product is delivered or the service provided.

The organization also accepts pre-payment for products and services to be provided at a later

date. Revenue is deferred until products and services are delivered. Payments received are credited directly to individual customer accounts and invested. Interest earned on funds is credited to the customer’s account as earned. At the time of utilization, revenue to be recognized from prepaid trust funds will be equal to the payments received from the customer in relation to that portion of the contract being utilized plus any investment income earned on those payments, to a maximum value of the current retail selling price of the goods or services being utilized.

The *Funeral, Burial and Cremation Services Act*, 2002, requires that a certain percentage of sales of various products be set aside and invested to provide income for the care and maintenance of cemetery properties. These funds are recorded as externally restricted funds for care and maintenance. The organization also accepts contributions for the special care and maintenance of specific areas within its cemeteries, which are recorded as endowments. Contributions for care and maintenance that are to be held as trust funds, and gains (losses) on the investment of these funds are recognized as direct increases (decreases) in net assets.

Investment income (loss), which consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses, is recorded as revenue in the consolidated statement of revenue and expenses, except to the extent that it relates to externally restricted funds for care and maintenance, endowments or deferred prepaid trust funds, which is added directly to the balances or is restricted and recognized when the related expenses are incurred.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit, units of short-term investment funds and short-term investments with an original term to maturity of less than 90 days at the date of acquisition. Cash and investments meeting the definition of cash and cash equivalents that are held for investing rather than liquidity purposes are classified as long-term investments.

Financial instruments

Investments reported at fair value consist of equity instruments that are quoted in an active market as well as investments in pooled funds and any investments in fixed income securities that the organization designates upon purchase to be measured at fair value. Transaction costs are recognized in the consolidated statement of revenue and expenses in the period during which they are incurred.

Investments in fixed income securities not designated to be measured at fair value are initially recorded at fair value plus transaction costs and are subsequently measured at amortized cost using the straight-line method, less any provision for impairment.

All transactions are recorded on a trade date basis.

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

Cemetery properties

Cemetery properties, which consist of land, land development costs, crypts and niches, are recorded at cost.

Direct costs of cemetery properties sold comprise costs determined on the following bases:

- Land and development costs attributable to specific lots – expensed when lots are sold.
- Crypt and niche costs – expensed when sold.
- Initial cemetery development costs, major cemetery features and other development costs not attributable to specific lots – amortized on a straight-line basis over 13 to 20 years.

Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis designed to charge operations with the cost of the capital assets over their estimated useful lives as follows:

Buildings and crematoria	3 – 25 years
Furniture, fixtures and equipment	3 – 10 years

Defined contribution pension plans

Contributions to defined contribution pension plans are expensed on an accrual basis.

Non-pension post-retirement defined benefit plan

The organization maintains a non-pension post-retirement defined benefit plan and accounts for these benefits using the immediate recognition approach. Under this approach, the organization recognizes the amount of the accrued benefit obligation in the consolidated balance sheet. Current service and finance costs are expensed during the year, while remeasurements, representing actuarial gains and losses, are recognized as a direct increase or decrease in net assets. The organization accrues its obligations under the non-pension post-retirement defined benefit plan as employees render services. The cost

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

of non-pension post-retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate assumptions. The accrued benefit obligation is determined using a roll-forward technique to estimate the accrued liability from the most recent actuarial valuation that is prepared at least every three years.

Allocation of expenses

Salaries and benefits directly related to certain activities are allocated to cemetery properties, capital assets and expense categories based

on time sheets or an estimate of time spent on these activities. Other direct operating costs are allocated to the appropriate category. No general and support costs are allocated, except for insurance, which is allocated based on the value of properties, and utilities, which are allocated based on estimates of consumption.

Income taxes

The organization follows the taxes payable method of accounting for income taxes in connection with for-profit entities. Under this method, only current income tax assets and liabilities are recognized.

3. INVESTMENTS

Investments consist of the following:

	Carrying value	2016 \$	2015 \$
Canadian investments			
Short-term notes	Amortized cost	1,977	2,648
Guaranteed investment certificates	Amortized cost	19,792	19,451
Equities	Fair value	227,631	239,070
Pooled funds			
KingSett Canadian Real Estate Income Fund	Fair value	3,000	—
TD Emerald Canadian Short-term Investment Fund	Fair value	—	17,793
TD Emerald Canadian Bond Fund	Fair value	357,089	279,896
TD Emerald Canadian Real Return Bond Fund	Fair value	—	56,505
		609,489	615,363

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

Investments held for the following purposes are managed separately with different investment mixes based on the underlying purposes of the funds. Externally restricted funds for care and maintenance are invested in short-term notes [1%], real estate [1%], bonds [48%] and Canadian equities [50%]. Endowments are invested primarily in bonds. Prepaid trust funds are invested primarily in bonds.

Internally restricted funds are invested in bonds [53%] and Canadian equities [47%].

The organization has committed to make total investments in KingSett Canadian Real Estate Income Fund of \$30,000, of which \$3,000 has been funded to date.

4. CAPITAL ASSETS

Capital assets consist of the following:

	2016		
	Cost \$	Accumulated amortization \$	Net book value \$
Land	3,014	—	3,014
Buildings and crematoria	76,100	30,091	46,009
Furniture, fixtures and equipment	20,136	15,369	4,767
	99,250	45,460	53,790
	2015		
	Cost \$	Accumulated amortization \$	Net book value \$
Land	3,014	—	3,014
Buildings and crematoria	69,174	27,758	41,416
Furniture, fixtures and equipment	19,360	14,066	5,294
	91,548	41,824	49,724

Buildings include construction in progress of \$6,429 [2015 – \$1,781] that will not be amortized until placed in service. Fully amortized assets of \$698 [2015 – \$3,932] have been removed from cost and accumulated amortization as they are no longer in use.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

5. BANK FACILITY

The organization has a line of credit of \$1,300 bearing interest at prime [March 31, 2016 – 2.70%; 2015 – 2.85%] against which letters of credit totalling \$339 [2015 – \$329] are outstanding. In addition, the organization has a line of credit of \$197 bearing interest at prime plus 0.25% [March 31, 2016 – 2.95%; 2015 – 3.10%] that was not utilized as at March 31, 2016 and 2015. Annual fees are charged on outstanding letters of credit at 0.75%.

6. GOVERNMENT REMITTANCES PAYABLE

As at March 31, 2016, accounts payable and accrued liabilities include government remittances payable of \$1,459 [2015 – \$1,943].

7. DEFERRED PREPAID TRUST

The continuity of deferred prepaid trust for the year ended March 31 is as follows:

	2016 \$	2015 \$
Balance, beginning of year	176,984	160,663
Contributions during the year	16,637	14,609
Interest income earned during the year [note 11]	4,176	4,925
Gain (loss) during the year [note 11]	(2,861)	6,286
Services performed during the year recognized as revenue	(10,989)	(9,499)
Balance, end of year	183,947	176,984

8. OTHER DEFERRED REVENUE

Other deferred revenue represents unspent income on externally restricted funds for care and maintenance and endowments. The continuity of other deferred revenue for the year ended March 31 is as follows:

	2016 \$	2015 \$
Balance, beginning of year	5,820	7,738
Investment income [note 11]	10,587	10,941
Revenue recognized related to care and maintenance	(13,249)	(12,859)
Balance, end of year	3,158	5,820

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

9. EXTERNALLY RESTRICTED FUNDS FOR CARE AND MAINTENANCE

Externally restricted funds for care and maintenance represent that portion of revenue that is set aside under legislation and permanently maintained to provide for the care and maintenance of cemetery properties. These amounts are added directly to net assets in the consolidated statement of changes in net assets.

10. INTERNALLY RESTRICTED NET ASSETS

The organization, at its discretion, has agreed to internally restrict additional amounts to provide for, amongst other things, the continued care and maintenance and development of cemetery properties.

11. INVESTMENT INCOME (LOSS)

Investment income (loss) recorded in the consolidated statement of revenue and expenses is calculated as follows:

	2016 \$	2015 \$
Total investment income (loss)	(9,550)	54,237
Add (deduct)		
Net loss (gain) on investments held for externally restricted funds for care and maintenance recognized in the consolidated statement of changes in net assets	19,590	(25,710)
Net loss (gain) on investments held for endowments recognized in the consolidated statement of changes in net assets	177	(261)
Interest income on prepaid trust funds <i>[note 7]</i>	(4,176)	(4,925)
Net loss (gain) on prepaid trust funds <i>[note 7]</i>	2,861	(6,286)
Investment income on externally restricted funds for care and maintenance and endowments recorded as other deferred revenue <i>[note 8]</i>	(10,587)	(10,941)
Investment income (loss) recognized in the consolidated statement of revenue and expenses	(1,685)	6,114

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

12. COMMITMENTS AND CONTINGENCIES

[a] The organization is subject to various claims and potential claims in connection with operations. Where the potential liability is able to be estimated, management believes that the ultimate disposition of the matters will not materially exceed the amounts recorded in the accounts. In other cases, the ultimate outcome of the claims cannot be determined at this time. Any additional losses related to claims will be recorded in the period during which the liability is able to be estimated or adjustments to the amount recorded are determined to be required.

[b] The organization is committed with respect to leases for office premises. The future minimum annual lease payments under operating leases are as follows:

	\$
2017	386
2018	348
2019	257
2020	168
2021	181
Thereafter	802

In addition to minimum rental payments, leases for offices generally require the payment of various operating costs.

[c] The organization is committed to future equipment purchases of \$1,322 in 2017.

13. NET CHANGE IN NON-CASH BALANCES RELATED TO OPERATIONS

The net change in non-cash balances related to operations consists of the following:

	2016 \$	2015 \$
Accounts receivable	3,637	(5,941)
Other current assets	(1,320)	(51)
Long-term accounts receivable	(1,839)	(1,028)
Cemetery properties	(8,157)	(4,235)
Accounts payable and accrued liabilities	(14,402)	19,982
Deferred prepaid trust	6,963	16,321
Other deferred revenue	(2,662)	(1,918)
	(17,780)	23,130

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

14. POST-RETIREMENT DEFINED BENEFIT PLAN

The organization's non pension post-retirement defined benefit plan comprises medical and dental coverage for certain groups of employees. The latest actuarial valuation for the non pension post retirement defined benefit plan was performed as of March 31, 2016.

15. ALLOCATION OF EXPENSES

General and administrative expenses allocated to other expense categories are as follows:

	2016 \$	2015 \$
Direct	97	113
Care and maintenance	709	589
	806	702

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2016

16. FINANCIAL INSTRUMENTS

The organization is exposed to various financial risks through transactions in financial instruments.

Credit risk

The organization is exposed to credit risk in connection with its accounts receivable and its short term and fixed income investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation.

Interest rate risk

The organization is exposed to interest rate risk with respect to its investments in fixed income investments and pooled funds that hold fixed income securities because the fair value will fluctuate due to changes in market interest rates.

Other price risk

The organization is exposed to other price risk through changes in market prices [other than changes arising from interest rate or currency risks] in connection with its investments in equity securities and pooled funds.

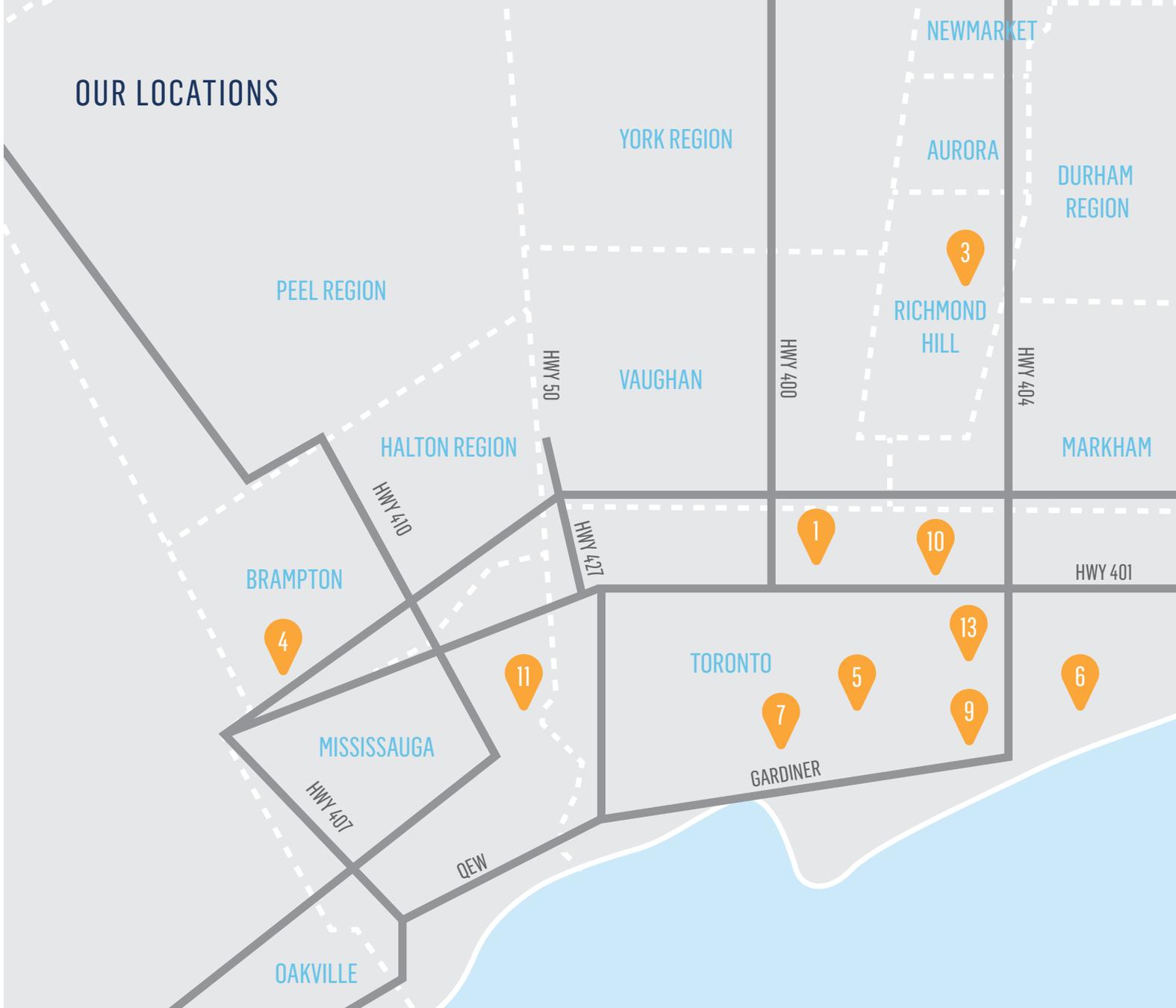
17. INCOME TAXES

As at March 31, 2016, a controlled entity has tax losses of approximately \$1,372 not recognized in the consolidated financial statements, which expire between 2026 and 2036, and \$11,331 of unclaimed capital cost allowance available to be carried forward indefinitely.

18. SALE OF LAND

During fiscal 2015, a portion of land at the Langstaff farm location was expropriated. Proceeds were \$16,098 with a gain of \$16,012 recorded in the consolidated statements of revenue and expenses.

OUR LOCATIONS



1 BEECHWOOD CEMETERY
 7241 Jane Street
 Vaughan, ON L4K 1A7
 ☎ 905-669-1827
 ✉ beechwoodinfo@mountpleasant-group.com

2 DUFFIN MEADOWS CEMETERY
 2505 Brock Road North
 Pickering, ON L1V 2P8
 ☎ 905-427-3385
 ✉ duffinmeadowsinfo@mountpleasantgroup.com

3 ELGIN MILLS CEMETERY CREMATION AND FUNERAL CENTRES
 1591 Elgin Mills Road East
 Richmond Hill, ON L4S 1M9
 ☎ 905-737-1720
 ✉ elginmillsinfo@mountpleasantgroup.com

4 MEADOWVALE CEMETERY CREMATION AND FUNERAL CENTRES
 7732 Mavis Road
 Brampton, ON L6Y 5L5
 ☎ 905-451-3716
 ✉ meadowvaleinfo@mountpleasantgroup.com

5 MOUNT PLEASANT CEMETERY CREMATION AND FUNERAL CENTRES
 375 Mount Pleasant Road
 Toronto ON M4T 2V8
 ☎ 416-485-9129
 ✉ mountpleasantinfo@mountpleasant-group.com

6 PINE HILLS CEMETERY AND FUNERAL CENTRE
 625 Birchmount Road
 Scarborough, ON M1K 1R1
 ☎ 416-267-8229
 ✉ pinehillsinfo@mountpleasantgroup.com



7 PROSPECT CEMETERY
 1450 St. Clair Avenue West
 Toronto, ON M6E 1C6
 ☎ 416-651-4040
 ✉ prospectinfo@mountpleasantgroup.com

8 THORNTON CEMETERY AND CREMATION CENTRE
 1200 Thornton Road North
 Oshawa, ON L1H 7K4
 ☎ 905-579-6787
 ✉ thorntoninfo@mountpleasantgroup.com

9 TORONTO NECROPOLIS CEMETERY
 200 Winchester Street
 Toronto, ON M4X 1B7
 ☎ 416-923-7911
 ✉ necropolisinfo@mountpleasantgroup.com

10 YORK CEMETERY AND FUNERAL CENTRE
 160 Beecroft Road
 North York, ON M2N 5Z5
 ☎ 416-221-3404
 ✉ yorkinfo@mountpleasantgroup.com

11 THE SIMPLE ALTERNATIVE FUNERAL CENTRE – MISSISSAUGA
 1535 South Gateway Road
 Mississauga, ON L4W 5J1
 ☎ 905-602-1580
 ✉ tsamississaugainfo@mountpleasantgroup.com

12 THE SIMPLE ALTERNATIVE FUNERAL CENTRE – PICKERING
 1057 Brock Road
 Pickering, ON L1W 3T7
 ☎ 905-686-5589
 ✉ tsapickeringinfo@mountpleasantgroup.com

13 THE SIMPLE ALTERNATIVE FUNERAL CENTRE – TORONTO
 275 Lesmill Road
 Toronto, ON M3B 2V1
 ☎ 416-441-1580
 ✉ tsanorthyorkinfo@mountpleasantgroup.com

SITE MANAGERS

CEMETERY MANAGEMENT TEAM



ANDRE ARNDT
Elgin Mills
Cemetery



**NELSON
BOAVENTURA**
York & Meadowvale
Cemeteries



ANITA MAZZARA
Thornton & Duffin
Meadows
Cemeteries



NEIL O'BRIGHT
Pine Hills
Cemetery



ANTONIETTA SWEENEY
Prospect &
Beechwood
Cemeteries



HEATHER WEIR
Mount Pleasant &
Toronto Necropolis
Cemeteries

FUNERAL MANAGEMENT TEAM



BILL BAXTER
The Simple
Alternative
Pickering



EMERSON JAIME
The Simple
Alternative
Mississauga



ANNE HUIZINGH
Canadian Memorial
Services - Overlea



LINDA LEE
York
Funeral Centre



WENDY McCLURE
Mount Pleasant
Funeral Centre



JOHN MORRISON
Meadowvale
Funeral Centre



MICHELLE PAUKOVIC
The Simple
Alternative
Toronto



DAVID PERRY
Pine Hills
Funeral Centre

PRE-PLANNING MANAGEMENT TEAM



MIKE PAGANI
Central-West
District



MAX SEO
North District



WADE SHREVE
East District

**PROPERTY
MANAGEMENT TEAM**



PAUL CANDY
Elgin Mills
Cemetery



LUIS FICHER
Mount Pleasant &
Toronto Necropolis
Cemeteries



KAREN FORD
Meadowvale
Cemetery



CHARLIE IRETON
Beechwood
Cemetery



GARY IRVING
Prospect
Cemetery



PAUL SHEPPARD
Thornton &
Duffin Meadows
Cemeteries



PETER SUMMERS
York
Cemetery



IAN YOUNG
Pine Hills
Cemetery

BEREAVEMENT AUTHORITY OF ONTARIO ASSUMES DELEGATED AUTHORITY

When the Funeral Burial and Cremation Services Act was proclaimed in 2012 it made provision for a new provincial bereavement industry governance structure, combining the Ministry of Government and Consumer Services Cemeteries Regulations Branch and the Board of Funeral Services into a single entity. On January 2016 the Bereavement Authority of Ontario (BAO) assumed responsibility for the licensing and oversight of all funeral homes, transfer services, cemeteries, and crematoriums throughout Ontario.

For further information on the Bereavement Authority of Ontario please visit their website at:
www.bereavementauthorityontario.ca

Bereavement Authority of Ontario
100 Sheppard Avenue East Suite 505
Toronto, ON M2N 6N5
Phone: (647) 483 - 2645



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