



CANADA 150

WHY WE DO WHAT WE DO

To bring some comfort to those dealing with the difficult experience of death.

14,540
FAMILIES
SERVED
DURING
THE PAST
YEAR



9

Funeral Centre
Locations
(Since 1989)



4

Cremation Centre
Locations
(Since 1933)



10

Cemetery
Locations
(Since 1826)

HOW WE DO WHAT WE DO

To make the memories of life and the wishes of loved ones the heart of everything we do.



PRESIDENT AND CEO MESSAGE

NOTHING BRINGS TOGETHER THE PAST AND THE FUTURE IN SUCH POWERFUL WAYS AS THE DEATH CARE BUSINESS. THIS YEAR, THESE TWO THEMES SEEMED MORE PRONOUNCED THAN EVER. WHILE CELEBRATING CANADA'S 150TH ANNIVERSARY, WE WERE ALSO WORKING HARD TO FIND NEW WAYS TO SUPPORT THE FUTURE FUNERAL AND CEMETERY NEEDS OF AN EVER GROWING GTA. IN THESE PAGES YOU'LL FIND MUCH MORE ABOUT HOW MOUNT PLEASANT GROUP IS HONOURING THE PAST WHILE PREPARING FOR AN EXCITING FUTURE.

Cemeteries are a wonderful place for looking back and reflecting upon our past. Recently Mount Pleasant Group completed a major project honouring Canada's 150th birthday and Canadian war heroes at York Cemetery and Funeral Centre in North York. These dramatic and beautiful changes to the cemetery include a new Grand Allée boulevard as you enter the cemetery and the dedication of a new Victoria Cross Memorial within the boulevard. The Victoria Cross is the Commonwealth's premier military decoration for gallantry, given to honour "most conspicuous bravery, or some daring or pre-eminent act of valour or self-sacrifice, or extreme devotion to duty in the presence of the enemy." We're thrilled to be able to honour Canada's 99 recipients of this award.

Turning our gaze more to the future, this year, we also completed the process of upgrading of all of our Cremation Centres to the most environmentally responsible technology and processes anywhere in the world. In these pages you'll read about the innovative green technology we're using, but you'll also learn more about our new witnessing centres, where families can view the cremation, similar to more well-known traditions like observing a casket being lowered into an open grave. For many, this new option brings comfort and closure during the grieving process.

As excited as I get about the future and about bringing innovation to our industry, the future also presents challenges. The most pressing of these is

around securing land for future burials in the GTA. As we describe in this report, Toronto is running out of burial space. It will take a combined effort by all levels of government, working together with industry to ensure we will be able to continue to provide for the future needs of all GTA families.

Another, related challenge for some GTA cemeteries will be how they will fund the ongoing maintenance and support of their cemeteries once they're full and no longer generating income from the sale of burial spaces. Fortunately, the Mount Pleasant Group will be able to meet our perpetual care obligations because we anticipated this over 120 years ago and prepared for such inevitability. We are proud to manage North America's largest Care and Maintenance Fund per developed cemetery acre.

I hope you enjoy this annual review, whether your interest is in looking back on how we're honouring our country and its war veterans, or in looking forward to innovative new approaches to our industry.

GLENN MCCLARY
President & CEO
Mount Pleasant Group



THE WORK OF MOUNT PLEASANT GROUP

Our services to our customers and our community support are covered in this seventh Annual Review.

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THE NEW CEMETERY MOBILE APP

MOUNT PLEASANT GROUP LAUNCHES NEW CEMETERY MOBILE APP. FIND IT AT WWW.FINDITATMPG.COM.

FIND A GRAVE

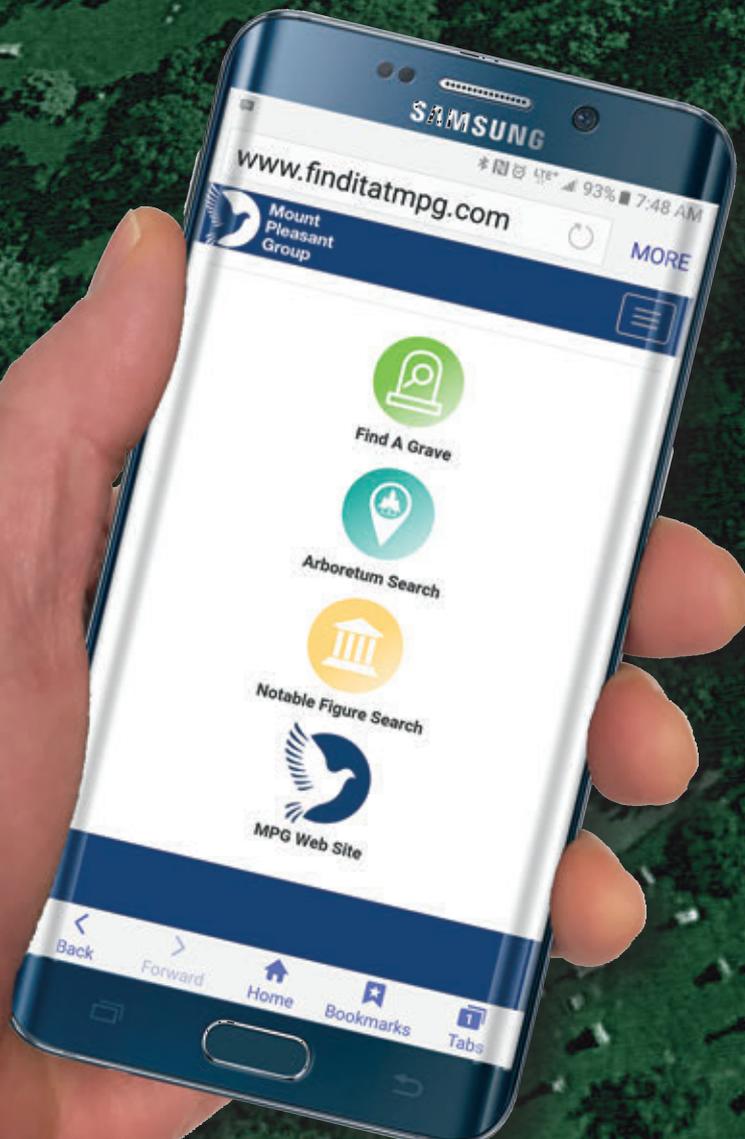
Identifies the location of individuals buried in each of our 10 GTA cemeteries. The tool is also accessible through our web site www.mountpleasantgroup.com. If using a mobile device that is GPS enabled, the tool can provide direction to the grave.

NOTABLE FIGURE SEARCH

Identifies the location of historically significant individuals and provides a brief biography for each. Currently, most of the individuals included are at Mount Pleasant, York and Toronto Necropolis cemeteries. The database will be expanded over time and eventually encompass all of MPG's cemetery locations.

ARBORETUM SEARCH: COMING THIS FALL

More than 50 species of trees within Mount Pleasant Cemetery will be identified along with an image of the tree species and a brief description of each tree's salient features.



AT MOUNT PLEASANT GROUP WE CONSIDER 'FOREVER' IN EVERYTHING WE DO!

THE CEMETERY INDUSTRY IS LIKE NO OTHER. WE PROVIDE A 'PERPETUAL' GUARANTEE WITH THE SALE OF EVERY GRAVE, CRYPT OR NICHE. AND YET, WE ALSO HAVE FINITE SPACE WHICH CANNOT BE REPLENISHED. WHEN OUR CEMETERIES ARE FULL, WE HAVE VERY FEW OTHER SOURCES OF REVENUE. WE MAY WELL BE THE ONLY INDUSTRY THAT'S IN THE "FOREVER" BUSINESS.

In the early to mid-1900s, most provinces created perpetual maintenance legislation for cemeteries. This legislation required that cemeteries plan to maintain their properties in perpetuity. At that time, this didn't seem like it would be that difficult. Rural land was plentiful and inexpensive. Cemeteries could be established wherever

and whenever they were needed to service the burial needs of surrounding communities. Population growth was much slower. Grave spaces were created that would last for well over a century. And no one even questioned whether the requirement to set aside 40% of the purchase price of a grave for future maintenance (Ontario is

the amongst the highest in North America) would be sufficient to look after future maintenance requirements.

Some 70 years later the situation has changed dramatically in Ontario. Inventory in many major urban centres is either depleted or nearing depletion and cannot keep up with population growth. Care & Maintenance Trust Fund income has been at record lows for almost two decades.

TOTAL INTERMENTS IN MPG CEMETERIES

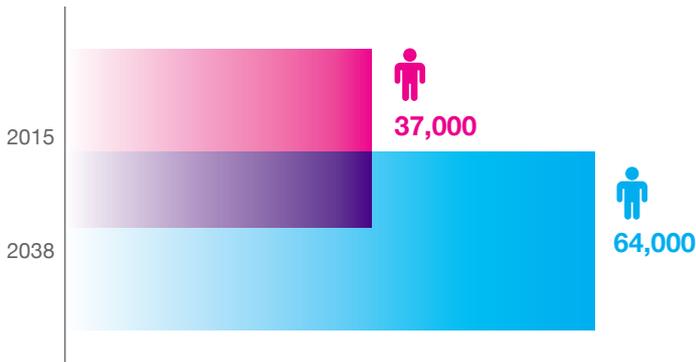
Beechwood	26,000
Duffin Meadows	4,400
Elgin Mills	16,000
Meadowvale	16,300
Mount Pleasant	207,000
Pine Hills	112,500
Prospect	170,000
Thornton	8,750
Toronto Necropolis	62,300
York	60,100
TOTAL MPG BURIALS	683,350

THE RESULT?

Over 95% of Ontario's cemeteries no longer generate sufficient income to maintain their properties today let alone in perpetuity. These cemeteries must subsidize their shortfalls through other means such as charitable donations, fundraising activities, the sale of memorials, arboretum programs, and additional products and services.

GTA DEATHS

(Source: Statistics Canada)



Without these alternate sources of revenue most Ontario cemeteries could not meet their perpetual maintenance obligations.

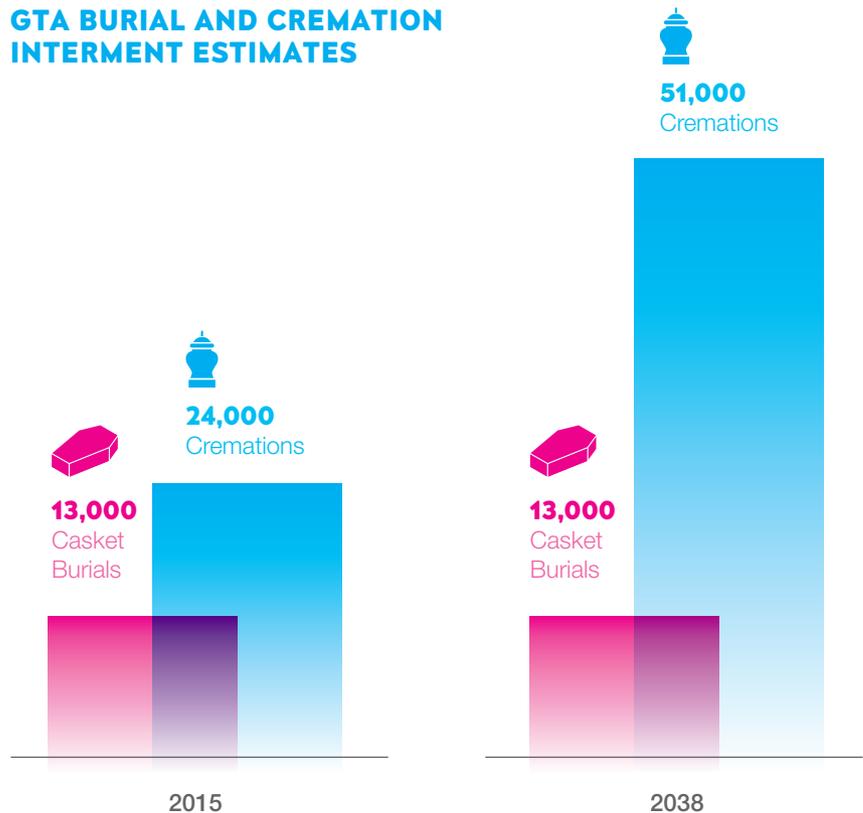
So, what happens in these situations? Unlike typical commercial or industrial businesses a cemetery can't sell off land to generate capital because the property has no tangible value. Instead, under Ontario legislation cemeteries that can no longer sustain their operations declare insolvency and the municipalities in which they are located must assume the perpetual liability. They become a burden on the local tax payer.

Mount Pleasant Group anticipated and planned for such a situation. We began serving Toronto's burial needs nearly 200 years ago and while other cemetery operators continued to charge an annual grave maintenance fee, we established the first maintenance trust fund in Ontario, 70 years before it became provincially legislated.

Today with over \$400 million invested, Mount Pleasant Group has accumulated the largest Care & Maintenance Fund per developed cemetery acre in North America. Capital from the fund can never be spent. Only investment income from the fund (as regulated under provincial legislation) can be used to maintain our 10 cemetery properties within the GTA.

The foresight of our Board of Directors has never been forgotten as it established the foundation on which we were built. "Forever" was part of their thinking two centuries ago and it remains a part of every decision we make in our daily operations and our long-term strategic planning.

GTA BURIAL AND CREMATION INTERMENT ESTIMATES





CELEBRATING CANADA 150 WITH A GRAND ALLÉE AT YORK CEMETERY

YORK CEMETERY'S ORIGINAL ENTRANCE AND BOULEVARD OPENED IN 1948. THE 600 METRE BOULEVARD BEGAN AT YONGE STREET AND GRADUALLY ROSE 4 METRES TO THE MEMORIAL CENOTAPH IN THE CENTRE OF THE NEW CEMETERY. LINED WITH ALTERNATING DUTCH ELM AND AUSTRIAN PINE TREES IT PROVIDED A PARK-LIKE VISTA FOR VISITORS TO THE CEMETERY AND THE SURROUNDING COMMUNITY.

A lot has changed at York Cemetery in the past 65 years. In 1948 the cemetery donated 3 acres of undeveloped land west of Yonge Street and north of what is now North York Boulevard, to the municipality to build North York's first community centre and fire hall. In 1958 Yonge Street was

expanded from two to four lanes, requiring a change to the cemetery entrance and streetscape. Plans were also set in motion to develop Beecroft Road to accommodate increasing vehicle traffic.

In the 1960s, Dutch Elm disease decimated most of the boulevard elm trees.

During Canada's Centennial in 1967 Beecroft Road was opened and Mount Pleasant Group agreed to sell its remaining undeveloped land between Yonge Street and Beecroft Road to the municipality. This land is now home to the North York Civic Centre, the Toronto Performing Arts Centre, the Toronto Board of Education head office, and the Madison Centre. Later, North York Boulevard was created and a new cemetery entrance was created on Beecroft Road. Throughout the past 20 years over 70% of the Austrian pines were lost due to the onset of diplodia tip blight disease.

By the turn of the century, the original vision for the cemetery boulevard vista no longer applied.

In 2013, Toronto City Councilor John Fillion approached York Cemetery suggesting traffic lights be installed at the cemetery entrance (Beecroft / North York intersection) to enhance public safety. The decision to upgrade the entrance of the cemetery was the spark for bigger plans and after careful consideration Mount Pleasant Group decided





to develop an entirely new boulevard landscape design for the cemetery that would compliment the densely populated urban surroundings.

After 12 months of design and planning, along with close cooperation with the City of Toronto staff to align North York Boulevard and the new signalized intersection, a European Forecourt and Grand Allée concept was finalized. Construction began on the Forecourt in the fall of 2014 and the Grand Allée took two years to complete.

The European Forecourt is landscaped with 14 *Liriodendron Tulipifera* (tulip trees), 116 *Thuja Occidentalis 'Nigra'* (black cedars), 556 *Buxus 'Green Mountain'* (boxwood), and 84 *Hydrangea Paniculata 'Limelight'* (hydrangea). New entrance columns were constructed of local limestone from the Georgian Bay area. Wrought iron fencing and automated gates separate the forecourt from the Grand Allée.

We considered both normal cemetery use and the community's enjoyment of the grounds during the design of the Grand Allée. The central pedestrian pathway dominates the boulevard, enhancing the historic vista from Yonge Street to the memorial cenotaph. Benches and light bollards were added and the pedestrian pathway is lined with 22 granite tree planters, 60 *Fagus Sylvatica* (european beech) and 59 *Tilia Americana* (american basswood). As these trees mature 'pleaching' techniques (the art of training trees) will formally shape the trees into rectangular groupings.

In the centre of the Grand Allée, overlooked by the Funeral Centre, is Canada's only memorial to all of its 99 Victoria Cross recipients. We encourage visitors and community residents to stroll along this new boulevard and enjoy the peaceful tranquility this project has introduced to North York.



CANADA 150 TULIPS



INTRODUCING THORNTON CEMETERY, FUNERAL & CREMATION CENTRES

In January 2017 Thornton Cemetery & Crematorium opened a new funeral centre, emissions-free cremation centre and administration office. Families from Whitby, Oshawa and Durham Region can now finalize all their funeral, burial, and cremation needs and host memorial services, visitations, and receptions in one convenient location without having to navigate through congested city streets.

Thornton Cemetery, Cremation and Funeral Centres is not what most of us think of when we think of a traditional funeral home or crematorium. When you

enter the doors of the new facility you are greeted by warm, comfortable surroundings. Natural light streams through the windows reflecting on wood-trimmed walls, porcelain tiles and art work by Canadian artists. Large hallways lead past visitation rooms with fireplaces, a coffee lounge, a great hall, and reception rooms. Everything was designed to celebrate life and comfort those who have suffered a loss.

In the Great Hall, wooden beams highlight the ceiling framed by stone columns. The hall is non-denominational but has religious and cultural items to accom-



**CREMATION
CENTRE**



**WITNESSING
ROOM**



**RECEPTION
ROOM**



**CHAPEL/
GREAT HALL**



VISITATION



moderate virtually all customs, traditions, and beliefs. It is equipped with state-of-the-art audio visual equipment to play music and show personal photos or videos.

Our reception and catering facilities are available for hosting gatherings following a service within the Funeral or Cremation Centres, or following a burial in the cemetery. These rooms are also equipped with audio video technology, fireplaces, and are adjacent to outdoor patios. Products and services can be selected by visiting our boutique product room which creates a comfortable retail environment and sets new standards for our industry.

For those choosing cremation, the new Cremation Centre is unlike any other. The witnessing of cremation – similar to more well-known traditions

like observing a casket being lowered into an open grave – is growing in popularity. The process brings comfort and closure during the grieving process. Thornton Cremation Centre was designed with that in mind. The cremation witnessing room features porcelain wood-grained floors, couches, chairs, art work and decorative stone walls. Natural light cascades through windows. The stainless-steel cremation equipment meets the highest environmental standards, virtually eliminating emissions, and reducing fossil fuel consumption by 50%.

We encourage you to drop by and tour our new facilities. As with all Mount Pleasant Group facilities, we provide a pressure-free environment, take the time to listen to our customers, customize our services to meet your individual needs, and make the memories of life and the wishes of loved ones the heart of everything we do.



COFFEE LOUNGE



ADMINISTRATION



PRODUCT DISPLAY



ARRANGEMENT ROOMS





COMMEMORATING THE FIRST WORLD WAR AT PROSPECT CEMETERY

ON AUGUST 4, 1914, THE GERMAN ARMY, ON ITS WAY TO FRANCE, INVADED NEUTRAL BELGIUM. BRITAIN SENT AN ULTIMATUM DEMANDING WITHDRAWAL OF GERMAN TROOPS AND REMINDING GERMANY OF THE TREATY OF 1839, WHICH GUARANTEED BELGIUM'S NEUTRALITY, TO WHICH PRUSSIA (EFFECTIVELY THE PREDECESSOR OF GERMANY) WAS ALSO A SIGNATORY. UNANSWERED, THE ULTIMATUM EXPIRED AT MIDNIGHT ON AUGUST 4. BRITAIN WAS AT WAR. AND WHEN BRITAIN WAS AT WAR, CANADA, A PART OF THE DOMINION, WAS AT WAR.

That Canada would automatically be at war when Britain declared in 1914 wasn't even a question at home. In a spirit of almost unbelievable unanimity, Canadians pledged support for Britain. Sir Wilfrid Laurier spoke for the majority of Canadians when he proclaimed, "It is our duty to let Great Britain know and to let the friends and foes of Great Britain know that there is in Canada but one mind and one heart and that all Canadians are behind the Mother Country." Prime Minister Sir Robert Borden, calling for a supreme national effort, offered Canadian

assistance to Great Britain. The offer was accepted, and immediately orders were given for the mobilization of an expeditionary force. For a nation of only eight million people a total of 619,636 men and women served in the Canadian forces during the Great War.

After more than four years of world conflict the armistice of November 11, 1918 brought relief to the whole world. The horrible struggle with death, destruction, and misery was at last halted. Sixty-five million men and women from 30 nations were involved in it. At least 10 million soldiers were killed; 29 million more were wounded, captured, or missing. More than one out of every 10 Canadians who fought did not return. 66,655 Canadians gave their lives and another 172,950 were wounded.

The First World War is referred to as the "coming of age" for Canada – a time when it evolved from a British colony to an independent nation. At the start of the war in 1914, the country entered the field of battle as a collection of citizen soldiers, a mere extension of Britain overseas. Canada began the war with one division under the command of a British general and ended with a superb fighting force under the command of one of its own sons. By 1918,



Canada's military was recognized as an elite fighting force. It was this war record that won for Canada a separate signature on the peace treaty, signifying that national status had been achieved.

As veterans returned home, the Government of Canada identified the need to recognize their valour and patriotic service to our country. No military burial ground existed at the time. Government representatives, together with City of Toronto officials and the Board of Directors of the Trustees of the Toronto General Burying Grounds (now the Mount Pleasant Group of Cemeteries), met to develop a plan. As a result, Canada's first veterans' section, called a "field of honour" was created at Prospect Cemetery. Today, Prospect Cemetery is the final resting place of more than 5,300 Canadian and Allied forces veterans, making it the largest First World War veterans' section in the country.

Mount Pleasant Group of Cemeteries is proud to commemorate the 100th anniversary of the First World War through a series of bronze plaques mounted on a brick wall on the west side of Prospect Cemetery's "field of honour". The plaques take visitors through Canada's involvement in the war and the reason for war. They depict the roles Canadian soldiers played in battles at the Somme, Vimy Ridge, Ypres, Beaumont-Hamel and Passchendaele. They tell the story of our growth into nationhood, and of the visit by HRH The Prince of Wales in 1919 to thank the peoples of EarlsCourt for their service and to plant a Silver Maple tree at Prospect Cemetery in Canada's honour. A bronze map of Western Europe allows visitors to locate battle locations and through the use of QR coding, visitors can connect to Mount Pleasant Group's website where they can access additional history and link to actual historical videos of the battles.



TORONTO IS RUNNING OUT OF BURIAL SPACE

PICTURE YOURSELF IN TORONTO IN 2047. A FAMILY MEMBER DIES AND YOU WANT TO ARRANGE FOR A BURIAL. YOU CALL YOUR LOCAL CEMETERY ONLY TO FIND OUT THAT ALL THE GRAVES ARE SOLD. YOU CALL CEMETERY AFTER CEMETERY AND GET THE SAME ANSWER. ALL THE CEMETERIES ARE FULL AND YOU WILL HAVE TO TRAVEL TO DURHAM, PEEL, HALTON OR EVEN TO BARRIE TO PURCHASE A GRAVE. THIS IS THE REALITY FACING THE NEXT GENERATION OF TORONTONIANS BECAUSE TORONTO CEMETERIES WILL BE SOLD OUT WITHIN 25 TO 30 YEARS.

You might ask why the industry didn't anticipate this problem and develop additional cemetery space? The answer is complicated. To understand how this situation developed, we must look back to the early to mid 1800s and the evolution of cemeteries in Toronto.

In Upper Canada cemeteries were created on agricultural lands on the outskirts of the Town of Muddy York. Then, as the population grew and the City of Toronto was formed, additional cemeteries were created outside the urban boundaries in order to continue to serve the community's need for burial. Cemeteries grew in tandem with the population.

Let's look at Mount Pleasant Group of Cemeteries as an example:

- When Potter's Field was created in 1826 at what is

- now the north-west corner of Yonge and Bloor it was located way out in the country. Muddy York barely extended past Queen Street;
- As the population grew north along Yonge Street, Potter's Field stood in the way of future growth. In 1855, it was relocated to the Toronto Necropolis Cemetery, which was created on agricultural lands outside Cabbagetown;

- Mount Pleasant Cemetery on Yonge Street north of St. Clair Avenue was created on agricultural land in 1876 to serve the growing urban population;
- As the population expanded to the west, Prospect Cemetery at Lansdowne and St. Clair Ave. W. was created on agricultural lands in 1890 to serve west end residents.
- As the population grew east Pine Hills Cemetery was created on agricultural lands in 1928 to serve Scarborough residents;
- As the population continued to move northward York Cemetery near Yonge and Sheppard was developed on agricultural land in 1948 to serve Lansing residents and eventually all of North York.



What is consistent throughout history is that cemetery operators recognized future need based on population growth forecasts and they planned new cemeteries decades in advance. What is also consistent is that agricultural lands were always available in rural locations to be converted into cemeteries.

SO WHAT HAS CHANGED TODAY AND WHY CAN'T MORE CEMETERIES BE CREATED?

Ontario's greenbelt is an area of green space, farmland, vibrant communities, forests, wetlands, and watersheds that was established in 2005. Today, it contains over two million acres of land – an area larger than Prince Edward Island – and is the largest and most strongly protected greenbelt in the world. The greenbelt does allow for some use of its lands; however, cemeteries are not one of the

permissible use of greenbelt agricultural lands.

The result is that cemeteries can no longer be created within the vast majority of the Greater Golden Horseshoe. Cemetery operators cannot acquire:

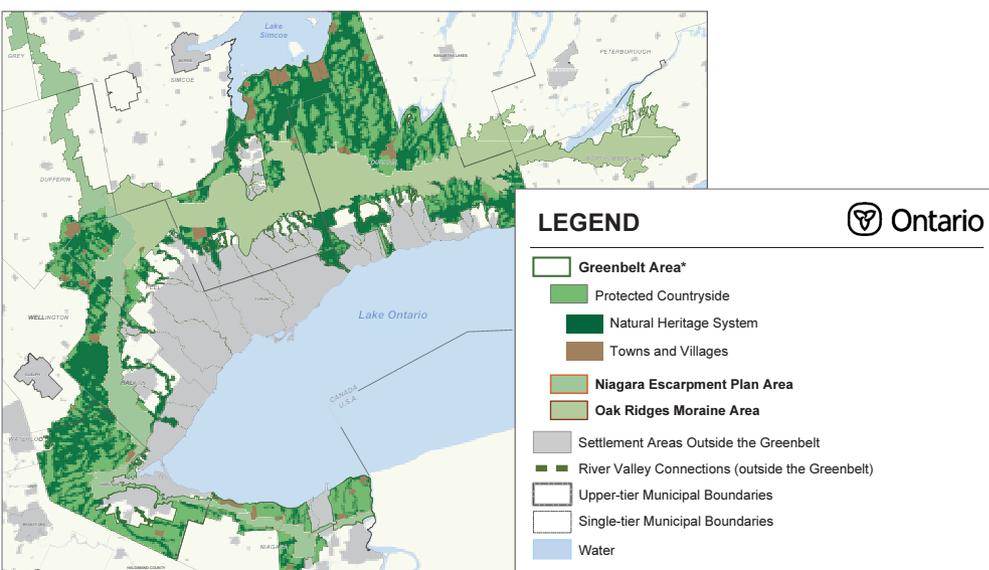
- Industry or commercial land as it is unaffordable and reserved for future employment;
- Residential land as it is reserved for population growth with greater density;
- Agricultural lands as they are protected for crop harvesting;
- Environmentally protected lands as they are restricted to protect our forests, wetlands, and water aquifers.

One look at the greenbelt map shows that outside of existing licensed cemeteries there is no land available within York Region to service the future burial needs

of the Greater Toronto Area. Small pockets are available within Peel, Halton, and Durham Regions but most of these lands have been acquired by speculative developers who anticipate that the farmlands will be released as “white belt – future development lands” – within 30 years.

The popularity of cremation (currently 65% in the GTA and rising) will reduce the need for large tracts of cemetery land in the future but it will not eliminate it. The multicultural make up of the Greater Toronto Area supports the need for future cemeteries, as many cultures and religions require burial and prohibit cremation. The industry estimates that if 1,000 acres of protected greenbelt lands were released for cemetery development (<0.0005% of the total protected lands) it would serve the future burial needs of the GTA population for the next 100 years.

Normal planning forecasts only extend 25 to 30 years which sounds like a long time, so why is there a need to act now? It takes 10 to 15 years to acquire land, develop a cemetery conceptual design, obtain various levels of government approvals and permits, and prepare and landscape the land before a cemetery can open its gates and serve the community. Policy and planning changes can still be made to facilitate basic community needs for burial before it is too late.



UPGRADING MEADOWVALE'S CREMATION CENTRE



CREMATION HAS BEEN GROWING IN POPULARITY OVER THE PAST FEW DECADES, BUT THE MOUNT PLEASANT GROUP HAS OFFERED IT FOR NEARLY 85 YEARS. WE OPENED ONTARIO'S FIRST CREMATORIUM AT TORONTO NECROPOLIS CEMETERY IN DOWNTOWN TORONTO IN 1933 AND FROM THAT MOMENT ON, WE HAVE BEEN AT THE FOREFRONT OF THE GROWING TREND TO CREMATION.

In 2011, we felt it was time to modernize the cremation industry to meet increasing demand and customer preferences, but also to become

as environmentally responsible as possible. That year, we undertook a world-wide research study to identify industry best practices and to find the most advanced, environmentally friendly cremation equipment. Facultatieve Technologies in The Netherlands (the largest cremation equipment manufacturer in the world) was selected as the supplier of choice and we created a plan to transform and upgrade the cremation equipment at all four of Mount Pleasant Group's Cremation Centres within the Greater Toronto Area.

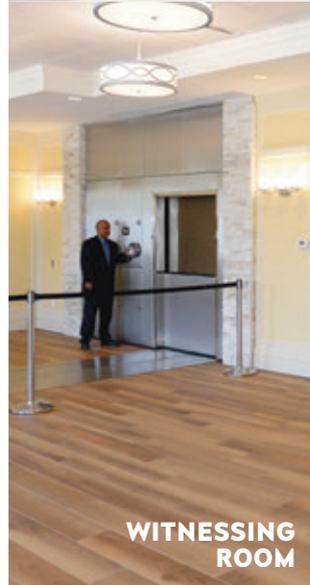
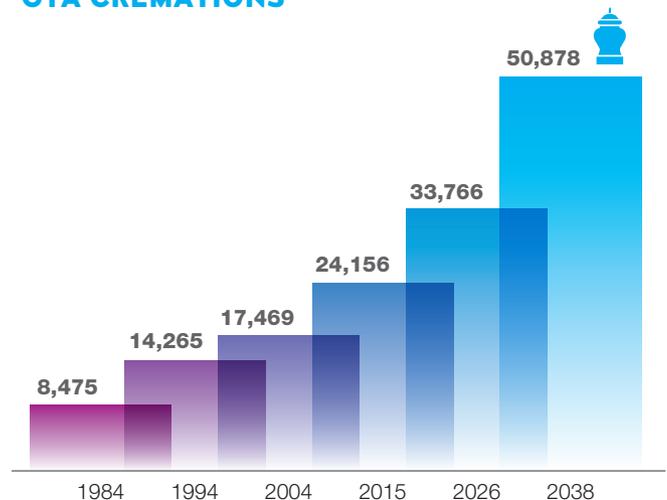
Because no crematorium in North America had ever installed such advanced equipment, we undertook a lengthy environmental approval and testing process in conjunction with the Ministry of Environment and Climate Change and the Technical Safety Standards Association. The equipment promised ambitious new emission target standards that had never been achieved within the industry. So we tested, analyzed, and re-tested the equipment until there was nothing left to test. The final results proved the new filtration system would virtually eliminate all smoke, odour, and particulate matter, reduce the carbon footprint by using 50% less natural gas, and improve on Ontario's most stringent emissions standards by emitting less than 1% of the province's safe level targets.

Mount Pleasant Cremation Centre in Toronto was the first to be upgraded in 2014. Elgin Mills Cremation Centre in Richmond Hill followed closely thereafter in 2015 and was awarded the Richmond Hill Chamber of Commerce Environmental Award for its new equipment. Thornton Cremation Centre in Oshawa was upgraded in 2016. The new Meadowvale Cremation Centre in Brampton was the last project to complete the transformation, opening in 2017.

At Meadowvale the entire cremation complex has been renovated and expanded. Natural light streams through the chapel which overlooks a beautiful water feature. A stained glass window is centered between the floor-to-ceiling windows. Fixed pews have been replaced by comfortable chairs which can be set up or removed to accommodate different cultures and faiths.

The new cremation witnessing room has been relocated and is now located on the same level as the chapel. Visitors choosing to witness the cremation process can move directly from the chapel into the witnessing room which is decorated with porcelain floors, art work, chairs, and couches. Natural light fills the large room, which can accommodate up to 100 people.

GTA CREMATIONS



WHEN YOUR CHOICE IS CREMATION



Cremation is becoming an increasingly popular choice, and if you are considering it for yourself or a loved one, you might be asking yourself questions such as: What kind of service can I arrange? What can be done with the ashes? What options do I have to memorialize and perpetuate the memory of a loved one?

Cremation is a personal preference for many different reasons, including environmental concerns, religious requirements, or cultural traditions. It provides increased flexibility when making funeral and cemetery arrangements in today's mobile society. Cremation also offers the ability to have the body present for a service, or the cremation may take place and services can be delayed until a convenient time when family and friends can attend. Services and receptions can be held in a funeral centre, a place of worship, or a place of special interest such as a golf course.

Many people think that when they choose cremation over casket burial all their decisions have been finalized. What they will do with the ashes is frequently overlooked.

Some individuals choose to keep the urn at home for a period of time while others arrange for the burial or scattering shortly after the death. At Mount Pleasant Group we have developed meaningful options to meet our customers' needs. Families can choose from a variety of offerings within our Gardens of Remembrance. Entombments can take place in an indoor or outdoor niche. Ashes can be buried in a family lot or in one of our Forests of Remembrance. Scattering of ashes in a designated scattering area can also be arranged.

Contact one of our GTA locations to see what options are available near you.

REMEMBERING OUR LOVED ONES

EACH OF OUR PROPERTIES PROVIDES OPPORTUNITIES THROUGHOUT THE YEAR FOR FAMILIES AND FRIENDS TO REMEMBER LOVED ONES WHO HAVE PASSED AWAY. WE HOLD ANNUAL MEMORIAL SERVICES AND CANDLELIGHT SERVICES. WE ALSO HONOUR OUR VETERANS ON REMEMBRANCE DAY AND OUR PARENTS ON MOTHER'S AND FATHER'S DAYS. FOR FAMILIES AND THOSE WHO MAKE UP OUR LOCAL COMMUNITIES, MANY PROPERTIES HOST CONCERTS, HISTORY WALKS, TREE LIGHTING CEREMONIES DURING THE HOLIDAY SEASON, AND EVEN ARBORETUM TOURS OF OUR RARE TREES AND PLANS.



REMEMBRANCE DAY SERVICES



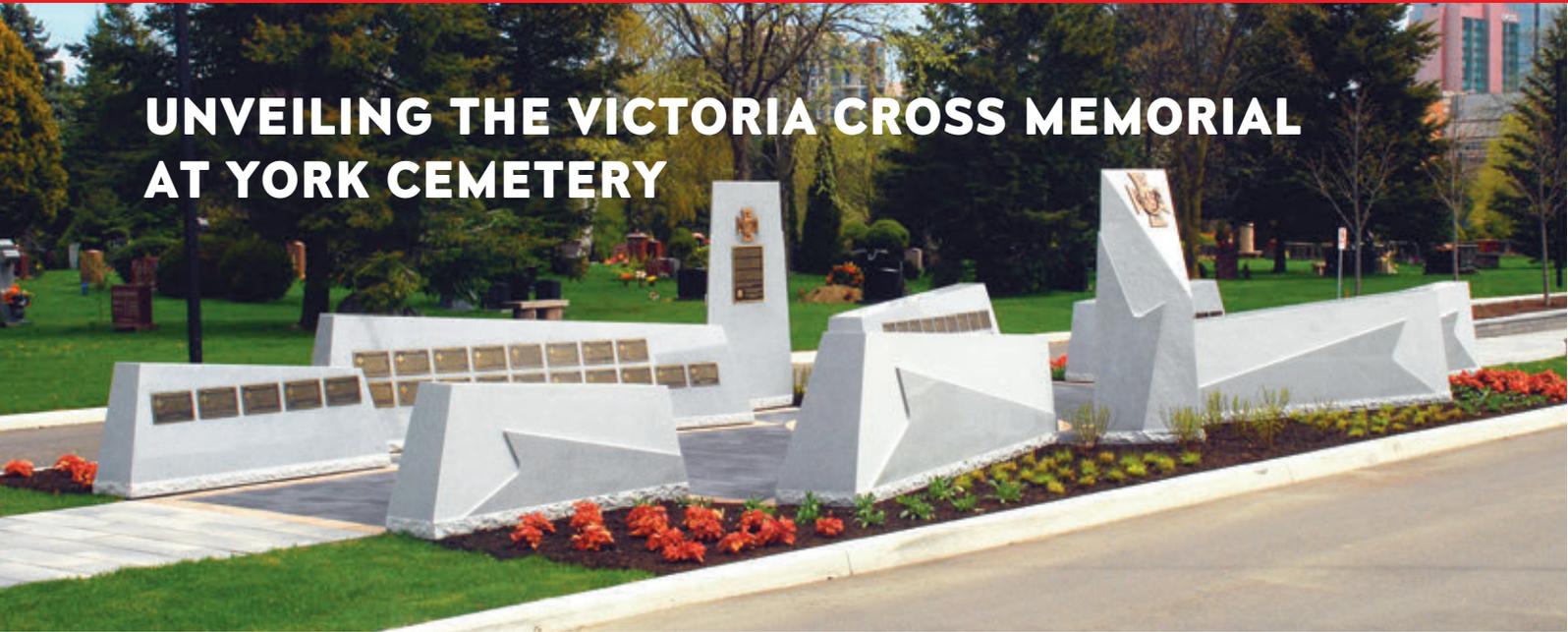
ANNUAL MEMORIAL SERVICES



ANNUAL CANDLELIGHT SERVICES



UNVEILING THE VICTORIA CROSS MEMORIAL AT YORK CEMETERY



ON JUNE 25TH, 2017, MOUNT PLEASANT GROUP OF CEMETERIES UNVEILED CANADA'S ONLY MEMORIAL TO ALL 99 RECIPIENTS VICTORIA CROSS RECIPIENTS AT YORK CEMETERY AS PART OF ITS CANADA 150 CELEBRATIONS.

THE VICTORIA CROSS, which was instituted by Queen Victoria in 1856, is the Commonwealth's premier military decoration for gallantry. It was created to honour "most conspicuous bravery, or some daring or pre-eminent act of valour or self-sacrifice, or extreme devotion to duty in the presence of the enemy."

A recommendation for The Victoria Cross was usually issued by an officer at the regimental level and supported by three witnesses. It was then passed up the chain of command to the secretary of state for defence, and finally presented to the reigning monarch to sign. Some awards were bestowed posthumously. All citations were published in the London Gazette.

The bronze cross pattée was originally made from the

metal of two Russian cannons captured at the Siege of Sevastopol (1854–55) during the Crimean War. The pattée is decorated with the Royal Crown surmounted by a lion guardant. Below it is a scroll with the words "FOR VALOUR." The recipient's rank, name, and regiment were engraved on the reverse of the mounting bar and a ribbon added.

Designed in the shape of a Canadian maple leaf by our own Jeff Dennis, Director of Development, the granite memorial is prominently located within the cemetery's grand allée entrance off Beecroft Road. Several "points" (each representing a different war) make up the feature. All 99 Canadian recipients (including some who were attached to the forces of other Commonwealth countries as well as non-Canadians serving in Canadian units) are represented on individual bronze plaques. QR coding has been incorporated in the memorial to facilitate mobile device connection to our website (www.mountpleasantgroup.com) where you can reference recipient stories in greater detail.

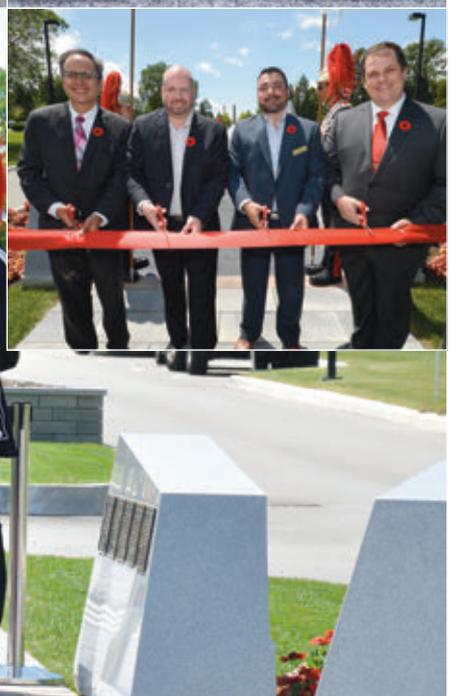




Captain William Avery Bishop

William Avery Bishop was born in Owen Sound, Ontario, on 8 February 1894. A cadet at the Royal Military College at Kingston at the outbreak of the First World War, he enrolled in the 9th Manassas Horse, CEF, on 30 September 1914, later transferring to the Royal Flying Corps. On 2 June 1917, Bishop spotted several enemy aircraft on the ground at an airfield near Cambrai, France; he attacked and destroyed three, and was later credited with the destruction of the remaining four aircraft. Bishop continued air operations until August 1917 and returned to the front in June 1918. He emerged as the British Empire's second-highest-scoring ace, with 72 official victories.

For conspicuous bravery, Captain Bishop became the first Canadian aviator to be awarded the Victoria Cross.



SUPPORTING PALLIATIVE & HOSPICE CARE

EVERY DAY WE WORK WITH PEOPLE WHO HAVE LOST A FAMILY MEMBER OR A FRIEND. BECAUSE OF THIS, WE KNOW JUST HOW IMPORTANT END-OF-LIFE CARE IS. AS THE POPULATION IN THE GTA AGES, QUALITY HOSPICE AND PALLIATIVE CARE ONLY GROWS IN IMPORTANCE.



DURHAM HOSPICE BUTTERFLY RELEASE



BETTER LIVING FOUNDATION BAKE SALE



HEALING CYCLE



BETTER LIVING FOUNDATION FASHION SHOW



EVERGREEN BLOOMS FUNDRAISER



HIKE FOR HOSPICE

Our Funeral Centres provide meeting facilities for local hospices and other non-profit organizations. Our staffs serve on local boards and are active fundraisers for hospices in their communities. But we also work closely with these organizations to share our knowledge and insights. Mount Pleasant Group's experience in cultural diversity and end-of-life customs and practices has benefited many local hospices and their volunteers.

We're also proud to endorse and work with Hospice Palliative Care Ontario (HPCO), which includes more than 80 programs and 39 residential hospices. We contribute to HPCO's Centre of Excellence program to educate volunteers and improve palliative care standards throughout the province. HPCO has more than 13,000 volunteers caring for over 25,000 people in hospice care at home or in residential hospices throughout Ontario.

SUPPORTING ENERGY CONSERVATION



**MOUNT PLEASANT FUNERAL CENTRE
ELECTRIC CHARGING STATION**

OUR EMPLOYEES RESPECT THE ENVIRONMENT AS MUCH AS THE FAMILIES WE SERVE.

In addition to maintaining one of the largest private arboretums in North America:

- We practice a variety of water conservation programs
- Recycle and re-use soil
- Expanded our recycling programs
- Conducted energy consumption audits of our operations
- Constructed a LEED Funeral Centre
- Utilized solar geo-thermal technology to light and heat niche buildings, and last year
- Introduced electric vehicle charging stations at some of our Funeral Centres

ENVIRONMENTAL INNOVATION

Elgin Mills Cemetery, Cremation and Funeral Centre was awarded the Richmond Hill Chamber of Commerce 2017 Conservation and Environmental Award in recognition of the installation of North America's most advanced cremation equipment. The automated filtration system virtually eliminates emissions, smoke and odour.



DIRECTORS & SENIOR MANAGEMENT

MOUNT PLEASANT GROUP OF CEMETERIES BOARD



RICHARD BOXER
Finance &
Investment Chair



DIANE CHABOT
Chair



THOMAS DI GIACOMO
Finance & Investment
Committee



MARILYN EMERY
Governance &
Human Resources



BRENT HOULDEN
Finance & Investment
Committee



GLENN McCLARY
Director & Board
Secretary



DON MORRISON
Finance & Investment
Committee



ANNE SADO
Governance & Human
Resources Chair



KEVIN SHEA
Governance &
Human Resources



CONNIE SUGIYAMA
Governance &
Human Resources

CANADIAN MEMORIAL SERVICES BOARD



ANGIE AQUINO
Director & Board
Secretary



WENDY CECIL
Director



MARILYN EMERY
Director



GLENN McCLARY
Chair

SENIOR MANAGEMENT TEAM



GLENN McCLARY
Cemetery President
& CEO



ANGIE AQUINO
Funeral President



LUCY LOMBARDI
Vice President
Finance



GLEN TIMNEY
Vice President
Corporate
Development



LOUISE MacLEAN
Director Human
Resources



RICK COWAN
Asst. Vice President
Marketing



JEFF DENNIS
Director Development



NATHAN JOHNSON
Director Client Services



DENNIS MOIR
Director Property
Management



GOWRI THILLEPAN
Controller

**CONSOLIDATED FINANCIAL
STATEMENTS**

**MOUNT PLEASANT GROUP
OF CEMETERIES**

March 31, 2017



CANADA 150

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, 2017, 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, 2017, 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.

The signature of Ernst + Young LLP is written in a black, cursive script.

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
June 26, 2017

CONSOLIDATED BALANCE SHEET

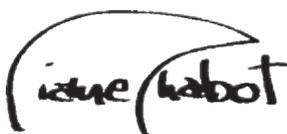
[in thousands of dollars]

As at March 31

	2017 \$	2016 \$
ASSETS		
Current		
Cash and cash equivalents	7,522	6,115
Accounts receivable	25,995	17,198
Other	1,521	2,707
Total current assets	35,038	26,020
Long-term accounts receivable	42,916	37,622
Investments [note 3]	671,787	609,489
Cemetery properties	44,782	46,114
Capital assets, net [note 4]	66,367	53,790
Other	400	400
	861,290	773,435
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities [note 6]	16,147	19,022
Total current liabilities	16,147	19,022
Deferred prepaid trust [note 7]	193,761	183,947
Other deferred revenue [note 8]	2,307	3,158
Accrued benefit liability [note 14]	7,664	7,182
Total liabilities	219,879	213,309
Commitments and contingencies [notes 3, 5 and 12]		
NET ASSETS		
Externally restricted funds for care and maintenance [note 9]	412,881	377,275
Endowments	4,461	4,274
Internally restricted [note 10]	40,759	40,255
Unrestricted	183,310	138,322
Total net assets	641,411	560,126
	861,290	773,435

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

	2017 \$	2016 \$
REVENUE		
Sales <i>[note 7]</i>	72,811	67,989
Care and maintenance <i>[note 8]</i>	12,781	13,249
Other	645	470
	86,237	81,708
EXPENSES		
Direct <i>[note 15]</i>	21,117	19,519
General and administrative <i>[note 15]</i>	39,794	38,551
Care and maintenance <i>[notes 8 and 15]</i>	12,781	13,249
	73,692	71,319
Excess of revenue over expenses before the following	12,545	10,389
Gain on Langstaff land sale <i>[note 18]</i>	24,577	–
Investment income (loss) <i>[note 11]</i>	8,450	(1,685)
Excess of revenue over expenses for the year	45,572	8,704

See accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

[in thousands of dollars]

Year ended March 31

	2017					2016
	EXTERNALLY RESTRICTED FUNDS FOR CARE AND MAINTENANCE	ENDOWMENTS	INTERNALLY RESTRICTED	UNRESTRICTED	TOTAL	TOTAL
	\$	\$	\$	\$	\$	\$
NET ASSETS, BEGINNING OF YEAR	377,275	4,274	40,255	138,322	560,126	557,896
Excess of revenue over expenses for the year	-	-	-	45,572	45,572	8,704
Remeasurements related to employee defined benefit plan	-	-	-	(80)	(80)	1,483
Transfers <i>[note 10]</i>	-	-	504	(504)	-	-
Contributions	13,182	327	-	-	13,509	11,810
Net gain (loss) on investments held for care and maintenance and endowments <i>[note 11]</i>	22,424	(140)	-	-	22,284	(19,767)
NET ASSETS, END OF YEAR	412,881	4,461	40,759	183,310	641,411	560,126

See accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

[in thousands of dollars]

Year ended March 31

	2017 \$	2016 \$
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	45,572	8,704
Add (deduct) items not involving cash		
Amortization of capital assets	4,563	4,452
Net loss (gain) on investments	(5,582)	3,924
Gain on Langstaff land sale	(24,577)	–
Employee benefits expense related to defined benefit plan	562	694
	20,538	17,774
Net change in non-cash balances related to operations [note 13]	(5,612)	(17,780)
Care and maintenance and endowment contributions	13,509	11,810
Net purchase of investments held for care and maintenance, endowments and prepaid trust funds	(8,660)	(14,193)
Employer contributions to defined benefit plan	(160)	(141)
Cash provided by (used in) operating activities	19,615	(2,530)
INVESTING ACTIVITIES		
Net purchase of investments held for unrestricted and internally restricted funds	(25,772)	(3,624)
Purchase of capital assets	(17,140)	(8,518)
Net proceeds from Langstaff land sale	24,704	–
Cash used in investing activities	(18,208)	(12,142)
Net increase (decrease) in cash and cash equivalents during the year	1,407	(14,672)
Cash and cash equivalents, beginning of year	6,115	20,787
Cash and cash equivalents, end of year	7,522	6,115

See accompanying notes

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2017

1. PURPOSE OF THE ORGANIZATION

Mount Pleasant Group of Cemeteries [the “organization”] controls the operation of ten cemeteries, three funeral homes and six 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 *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 [“CMS”]. CMS operates three funeral homes and six funeral centres in the Greater Toronto Area and is incorporated without share capital under the *Corporations Act* (Ontario).

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, 2017

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.

Alternative investments are comprised of investments in real estate, infrastructure, real assets, private equity, private debt and limited partnerships and are valued at the net asset value per unit reported by each investment fund manager, which represents fair value.

Investments in short-term investments and 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	10 – 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2017

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 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	2017 \$	2016 \$
CANADIAN INVESTMENTS			
Short-term notes	Amortized cost	6,221	1,977
Guaranteed investment certificates	Amortized cost	20,635	19,792
Equities	Fair value	217,327	227,631
POOLED FUNDS			
Mawer Global Equity Fund	Fair value	40,389	—
TD Emerald Canadian Bond Fund	Fair value	127,033	357,089
TD Emerald Canadian Core Plus Bond Fund	Fair value	239,424	—
ALTERNATIVE FUNDS			
KingSett Canadian Real Estate Income Fund	Fair value	17,838	3,000
IAM Private Debt Fund	Fair value	2,920	—
		671,787	609,489

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2017

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 [2%], alternatives [5%], fixed income [45%], Global equities [10%] and Canadian equities [38%]. Endowments are invested primarily in bonds. Prepaid trust funds are invested primarily in bonds. Internally restricted funds are invested in bonds [46%] and Canadian equities [54%].

The organization has committed to make total investments in KingSett Canadian Real Estate Income Fund of \$30,000, of which \$17,838 has been funded to date.

The organization has committed to make total investments in IAM Private Debt Fund of \$25,000, of which \$2,920 has been funded to date.

4. CAPITAL ASSETS

Capital assets consist of the following:

	2017		
	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE
	\$	\$	\$
Land	3,014	–	3,014
Buildings and crematoria	89,098	31,943	57,155
Furniture, fixtures and equipment	22,506	16,308	6,198
	114,618	48,251	66,367

	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

Buildings include construction in progress of \$3,900 [2016 – \$6,429] that will not be amortized until placed in service. Fully amortized assets of

\$1,772 [2016 – \$698] 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, 2017

5. BANK FACILITY

The organization has a line of credit of \$1,300 bearing interest at prime [March 31, 2017 – 2.70%; 2016 – 2.70%] against which letters of credit totaling \$471 [2016 – \$339] are outstanding. In addition, the organization has a line of credit of \$197 bearing interest at prime [March 31, 2017 – 2.70%; 2016 – 2.70%] that was not utilized as at March 31, 2017 and 2016. Annual fees are charged on outstanding letters of credit at 0.75%.

6. GOVERNMENT REMITTANCES PAYABLE

As at March 31, 2017, accounts payable and accrued liabilities include government remittances payable of \$1,322 [2016 – \$1,459].

7. DEFERRED PREPAID TRUST

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

	2017 \$	2016 \$
Balance, beginning of year	183,947	176,984
Contributions during the year	19,180	16,637
Interest income earned during the year [note 11]	4,321	4,176
Loss during the year [note 11]	(2,214)	(2,861)
Services performed during the year recognized as revenue	(11,473)	(10,989)
Balance, end of year	193,761	183,947

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:

	2017 \$	2016 \$
Balance, beginning of year	3,158	5,820
Investment income [note 11]	11,930	10,587
Revenue recognized related to care and maintenance	(12,781)	(13,249)
Balance, end of year	2,307	3,158

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2017

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:

	2017 \$	2016 \$
Total investment income (loss)	44,771	(9,550)
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	(22,424)	19,590
Net loss on investments held for endowments recognized in the consolidated statement of changes in net assets	140	177
Interest income on prepaid trust funds [note 7]	(4,321)	(4,176)
Net loss on prepaid trust funds [note 7]	2,214	2,861
Investment income on externally restricted funds for care and maintenance and endowments recorded as other deferred revenue [note 8]	(11,930)	(10,587)
Investment income (loss) recognized in the consolidated statement of revenue and expenses	8,450	(1,685)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2017

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:

	\$
2018	527
2019	421
2020	229
2021	181
2022	191
Thereafter	611

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

[c] The organization is committed to future construction costs of \$8,526 related to its cemetery properties, of which \$143 of costs have been incurred to date.

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

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

	2017 \$	2016 \$
Accounts receivable	(8,797)	3,637
Other current assets	1,186	(1,320)
Long-term accounts receivable	(5,294)	(1,839)
Cemetery properties	1,205	(8,157)
Accounts payable and accrued liabilities	(2,875)	(14,402)
Deferred prepaid trust	9,814	6,963
Other deferred revenue	(851)	(2,662)
	(5,612)	(17,780)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2017

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, 2017.

15. ALLOCATION OF EXPENSES

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

	2017	2016
	\$	\$
Direct	84	97
Care and maintenance	919	709
	1,003	806

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2017

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. In addition, the organization is exposed to interest rate risk with respect to its bank facilities because the interest rate is linked to the bank's prime rate, which changes from time to time, causing cash flows to fluctuate.

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, 2017, a controlled entity has tax losses of approximately \$882 not recognized in the consolidated financial statements, which expire between 2028 and 2034, and \$10,645 of unclaimed capital cost allowance available to be carried forward indefinitely.

18. SALE OF LAND

During fiscal 2017, remaining land at the Langstaff farm location was sold. Proceeds were \$24,704 with a gain of \$24,577 recorded in the consolidated statement of revenue and expenses.



1 BEECHWOOD CEMETERY

7241 Jane Street
 Vaughan, ON L4K 1A7
 ☎ 905-669-1827
 ✉ beechwoodinfo@mountpleasantgroup.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@mountpleasantgroup.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

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

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

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

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

13 THE SIMPLE ALTERNATIVE FUNERAL CENTRE TORONTO
 275 Lesmill Road
 Toronto, ON M3B 2V1
 ☎ 416-441-1580
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10 YORK CEMETERY AND FUNERAL CENTRE
 160 Beecroft Road
 North York, ON M2N 5Z5
 ☎ 416-221-3404
 ✉ yorkinfo@mountpleasantgroup.com

SITE MANAGERS

CEMETERY MANAGEMENT TEAM



**NELSON
BOAVENTURA**
York & Meadowvale
Cemeteries



HAMEES HASSAN
Thornton & Duffin
Meadows
Cemeteries



ANITA MAZZARA
Elgin Mills
Cemetery



NEIL O'BRIGHT
Pine Hills
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Cemeteries



HEATHER WEIR
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Toronto Necropolis
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FUNERAL MANAGEMENT TEAM



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The Simple
Alternative, Pickering
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PAUL CARTER
The Simple
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Toronto



ANNE HUIZINGH
Elgin Mills Funeral
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LINDA LEE
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PRE-PLANNING MANAGEMENT TEAM



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Central-West
District



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North District



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PROPERTY MANAGEMENT TEAM



PAUL CANDY
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Cemetery



LUIS FICHER
Mount Pleasant &
Toronto Necropolis
Cemeteries



KAREN FORD
Meadowvale
Cemetery



MARK FRANCIS
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MARTIN GARCIA
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