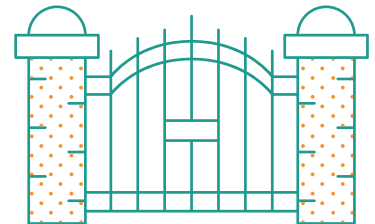
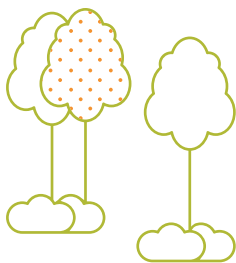




# EVOLVING TOGETHER



## WHAT WE DO

Ensure that everyone in the GTA has relevant and meaningful choice.

## HOW WE DO IT

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



## WHAT DOES IT MEAN TO GROW?

For Toronto, it's meant new neighbourhoods and new neighbours.

For Mount Pleasant Group: new services, innovation and investments in tomorrow.

Every new year continues our journey with the communities we serve.

2019 showed us the remarkable results made possible when we listen, respond and evolve together.



## A MESSAGE FROM THE PRESIDENT AND CEO

Take a look out your window. There's a good chance you'll spot a crane or a moving truck, or maybe a new business opening or new tracks being laid. Last year Toronto was the fastest growing city in North America, with more than 77,000 people coming here to start a new chapter. In fact, the GTA's population grew more than three times faster than the runner up (Phoenix, Arizona) according to a recent Ryerson University study.

But behind the numbers are living communities. That's why we think it helps to measure our own growth in more than just new acres or new plots. For Mount Pleasant Group, progress can be tracked in the connections we make with the families we serve, how we promote responsible stewardship of our land, the ways we introduce new services and technology, and how we take the time to be good neighbours.

If we only look at growth in numbers, whether they're demographic or financial, we risk missing the human stories that define them. This *2019 Year in Review* takes the time to share some of those stories. We reflect on the ways community evolution has defined our history. We explore shifts in culture and the effects those shifts have on the funeral industry. We introduce new initiatives and reveal the choices we've made to deepen our relationships.

Keeping pace with the pulse of the communities we serve has always been one of our fundamental commitments. But the past year has been one of foresight and forward momentum, of understanding not only where our customers' needs are but where they're going.

We know the GTA will continue to change, along with the people who live here. This will be a journey we embark on together. I can't wait to see where it leads us next.



**GLENN McCLARY**

President & CEO

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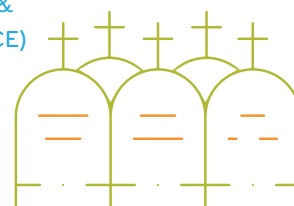
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# 2019 OPERATIONS

2019 CEMETERY INTERMENTS	8,347
CASKET-RELATED	5,406
Ground Burial	91%
Crypt Entombment	9%
CREMATION-RELATED	2,941
Ground Burial	72%
Niche Entombment	20%
Scattering	8%

PERPETUAL  
CARE TRUST  
FUND (CARE &  
MAINTENANCE)

\$467.1  
Million

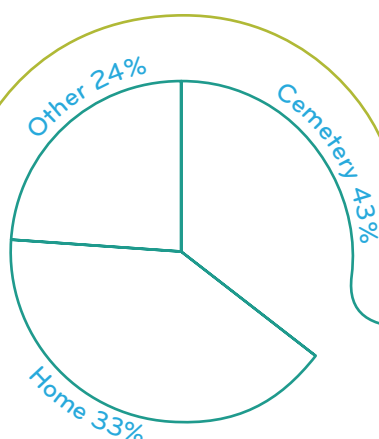


The largest per  
developed acre in  
North America.

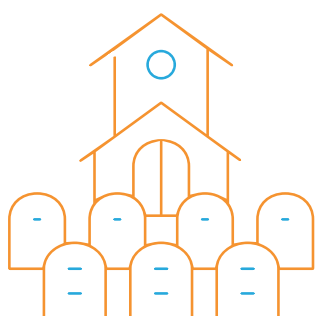
2019 CREMATIONS	2,459
With witnessing	465
Percentage of cremations placed within a cemetery	43%

2019 FUNERALS	3,952	
With burial	1,549	39%
With cremation	1,530	39%
Direct cremation with no service	873	22%

FINAL  
PLACEMENT  
OF CREMATED  
REMAINS



#1 REASON FAMILIES  
CHOOSE TO KEEP  
REMAINS AT HOME  
They're not aware of  
the choices available  
to them.



TOTAL LANDHOLDINGS  
(All MPG Cemetery Properties)  
1,222 acres

TOTAL GREENSPACE  
1,118 acres



NUMBER OF FACILITIES  
MAINTAINED

- 16 administration offices
- 13 indoor mausolea
- 12 maintenance buildings
- 6 indoor columbaria
- 6 on-site funeral centres
- 4 cremation centres
- 3 funeral homes
- 1 central mechanic shop



61  
Buildings



## A LEGACY OF CHANGE

To many people, cemeteries are simply part of the background of our lives.

It can seem as though they've always existed in our communities, waiting for the moments when we seek the peace they offer. We drive past them on our way to work or enjoy a quiet walk through their twisting paths. But although they may seem timeless, they're anything but static. They grow to reflect the people who use them, and in doing so endure across generations.

In addition to the nine funeral facilities affiliated with the organization, the ten cemeteries that make up Mount Pleasant Group (MPG) are perfect examples of how our industry is always evolving to fit the lives of the people we serve. As the GTA and its needs have changed over the past two centuries, so have we.



Prior to 1826, cemeteries, in what is now the GTA, only existed for those of the Catholic or Anglican faiths. Mount Pleasant Group was established in the countryside north of the Town of Muddy York to fulfill the burial needs of all citizens regardless of religious affiliation.



In 1917, we established the first formal veterans' section in Canada to serve the burial needs of those returning from The Great War. Today, Prospect Cemetery is home to the largest WWI veterans' section in the country, Pine Hills Cemetery is home to the largest WWII veterans' section, Meadowvale Cemetery has the national Korea Veterans' Memorial, and York Cemetery has the only memorial in Canada commemorating all Canadian Victoria Cross recipients.



In the 1920s, private family mausolea were popular but prohibitively expensive. MPG was the first cemetery in Ontario to construct a community mausoleum where citizens could purchase individual crypts.



1933

MPG constructed the first crematorium in Ontario at Toronto Necropolis Cemetery in 1933.

### But the most important innovation in our 193-year history happened more than a century ago.

In the 1880s, our Board of Directors had the foresight to replace the annual maintenance fee with a one-time maintenance fee, collected at the time a plot was purchased. A percentage of the purchase price from each interment right was deposited into a maintenance account. The interest generated from the maintenance account's investments was then used to cover the cost of maintaining MPG's cemeteries.

This shift in thinking proved to be so successful that a Care & Maintenance Fund became a legislated requirement for all Ontario cemeteries beginning in the 1950s. Today our fund has amassed over \$450M, the largest fund balance per developed acre of any cemetery organization in North America.

It allows us to fulfill a simple promise to those we serve: as times, technologies and communities change, we'll always be there for their families.



1980s

In the 1980s, MPG was the first Ontario cemetery to develop a natural scattering garden at Mount Pleasant Cemetery.

Newcomers brought new traditions and new perspectives brought new preferences.

As demand grew for a more natural or "green" form of burial at the turn of the millennium, MPG responded by designing natural burial areas at Meadowvale and Duffin Meadows cemeteries.



After meeting with the Aga Khan in the early 1970s, MPG designed the first Muslim Burial Ground at York Cemetery. Graves were surveyed facing south-east toward Mecca.



With the increase in Asian immigration to the GTA in the 1980s, elements of feng shui were introduced when designing interment rights, applying the system of philosophical laws that govern spatial arrangement and orientation in relation to the flow of chi energy.



East-facing Orthodox plots were introduced and cemetery by-laws were updated, permitting greater flexibility in memorialization to accommodate Eastern European customs.



In response to demand from the growing Italian and Portuguese communities, large mausolea were constructed at several MPG locations. Traditional outdoor crypts evolved into comfortable climate controlled buildings.



Today cremation has grown to become the preferred choice of about 70% of the GTA population.



1990s

In the late 1990s, MPG designed and opened the GTA's first Gardens of Remembrance and Forests of Remembrance at Mount Pleasant and Meadowvale cemeteries.



2000

In the late 2000s, MPG opened the Mount Pleasant Funeral Centre, Canada's first funeral establishment to receive LEED certification.



2010

By 2010, geothermal and solar technology was introduced to heat, cool and light buildings containing columbarium niches at York Cemetery.



2017

In 2014, MPG introduced the first virtually emission-free cremation technology to North America. By 2017, all four crematoria were converted to the new technology and comfortable witnessing rooms were built.

## BUILDING FOR ETERNITY

In May of 2019, the Mausoleum of the Madonna at Beechwood Cemetery opened its doors on a new chapter as the second phase of its development reached completion. The elegant two-storey expansion introduces new technology, services, and client experiences. Each is the result of decades of learning and listening.



Early mausolea were often built for a single family or even a single person. But as they grew in popularity, especially among Catholic newcomers in the 1920s, Mount Pleasant Cemetery offered the first communal mausoleum in Ontario as an affordable alternative.



### OLD-WORLD BEAUTY

When the Mausoleum of the Madonna's first phase was completed in 2008, its traditional European architecture set it apart from the three other mausolea of Beechwood. This decision to shift away from the modern aesthetic of its neighbours was inspired by requests from Toronto's Italian and Portuguese communities for a space that embraced their architectural heritage. The

columns, domes and white Carrera marble crypt fronts that helped define phase one can be found throughout the new expansion.

Private family rooms featuring Roman-style leather benches and chandeliers are separated from the main corridors by locking glass gates, while an espresso lounge offers a quiet, central hub for conversation and refreshment.



### FINDING A NICHE

Although the Mausoleum of the Madonna was primarily built to house crypts, we knew when constructing phase one that cremation is an increasingly popular choice. Both phases were designed to incorporate future glass niches so that those who wished for cremation could ensure their remains are close to their families'. The four banks installed in phase one have proven popular, and room for twelve more banks has been set aside to supply future need.





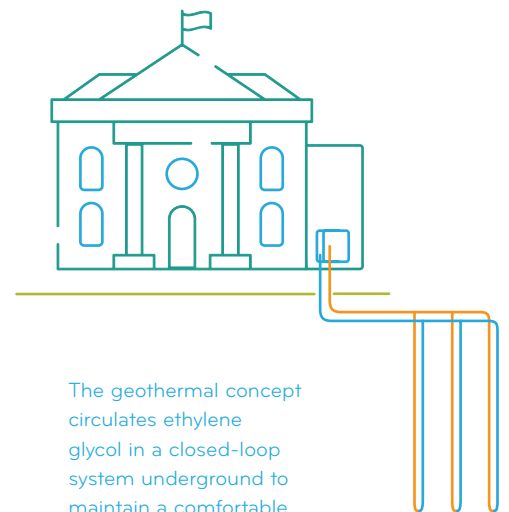
## TIMELESS TECHNOLOGY

The promise of forever depends on sustainable sources of energy. That's why we've been implementing alternative climate control and power solutions for our facilities since 2010, when we introduced geothermal systems to three smaller columbarium niche buildings at York Cemetery. With geothermal power, the consistent temperatures found deep underground are used to heat or cool the facilities year-round.

Madonna Phase Two uses a "vertical, closed-loop geothermal heat pump system" comprised of 21 geothermal

wells, each over 250 feet deep, located underneath the new central courtyard. Fluids circulated through sealed underground pipes are pumped up to roof-mounted heat exchange units that either warm or cool the air that then circulates throughout the building.

Other than the electricity used by the fans and pumps, no additional power is needed to run the air conditioning in the summer, and no gas is required for heat in the winter. Lighting throughout all four mausolea utilize LED fixtures activated by motion sensors. The combined result makes the Madonna our greenest mausoleum yet.



The geothermal concept circulates ethylene glycol in a closed-loop system underground to maintain a comfortable building temperature year round.

## SPACE TO REFLECT AND GROW

The Mausoleum of the Madonna is one of four mausolea at Beechwood: its neighbours are the Mausoleum of the Angels, the Mausoleum of the Saints and the original Beechwood Mausoleum constructed in 1990.

A beautiful courtyard now connects the four Beechwood mausolea, inviting visitors to pause for a moment on one of the elegant curved benches in the shade of carefully curated trees and plants. Each piece of greenery was chosen for its shallow root system to avoid disturbing the geothermal wells below. Both floors of the expansion are connected to the original Mausoleum of the Madonna, while walkways let visitors cross directly to the second floor of the Mausoleum of the Angels and the Mausoleum of Saints.

The Mausoleum of the Madonna may have reached a new milestone, but its evolution is far from over. The cemetery space around the mausolea has been set aside to accommodate further growth.



## TORONTO ROOTS. GLOBAL RECOGNITION.

Cemeteries have the potential to be urban oases, where we turn off from the hectic streets to find ourselves under leafy boughs. As Torontonians, we know how important these spaces are to the health and soul of our city, so we've always invested in ensuring our properties remain green.

### MOUNT PLEASANT ARBORETUM IN NUMBERS:

600  
species

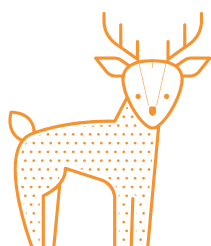
For every 1,000 trees, almost **4.55 million litres** of storm-water runoff is prevented

The arboretum at Mount Pleasant Cemetery sequesters **150 metric tonnes of carbon annually**

16,000 trees and shrubs

Mount Pleasant Cemetery is a **critical habitat** for chipmunks, squirrels, cardinals, finches, coyotes, deer, red-tailed hawks and many more species.

205  
acres



One of the finest collections of trees in North America can be found in our Mount Pleasant Cemetery arboretum, with over 120 genera spanning more than 600 species. Nearly every tree that can grow in Ontario has a place at Mount Pleasant. The expansive property between Yonge Street and Bayview Avenue offers generous soil for mature trees to flourish, and the resulting microclimate helps provide an environmental buffer perfect for more sensitive, exotic species. This year, we're proud to announce that the cemetery has achieved Level II Arbnet accreditation.

Founded in 2011, Arbnet is a global network dedicated to supporting the development and sustainability of arboreta of all kinds, from botanical gardens to city parks. It has accredited more than 200 arboreta across 20 countries since its inception, establishing international standards for professionalism, diversity and more. To secure the Level II accreditation, Mount Pleasant Cemetery was judged against criteria such as number of species, public access, dedicated arboretum employees and educational programming.

### HISTORY IN GREEN

In 1873, the original farmer's field that would become Mount Pleasant Cemetery was transformed by architect Henry Engelhardt into a park-like space complete with trees, shrubs and pathways "for the enjoyment of the public." Trees on the east side of the cemetery were placed in a traditional linear layout while the west side mimics natural forest patterns. The cemetery quickly became a popular attraction for the city, and today still draws families, athletes and ecologists from around the world.



## ARBNET'S MISSION:



- 1 Foster the establishment and professionalism of arboreta



- 2 Identify arboreta capable of participating or collaborating in certain scientific, collections, or conservation activities



- 3 Advance the planting, study, and conservation of trees to improve the world

## BALANCE AND SUSTAINABILITY

Of course, the need for natural space must always be considered alongside the need for burial space, as trees can restrict the availability of salable land for plots. But we firmly believe that the Mount Pleasant arboretum has helped Toronto live up to its green reputation as “a city within a park.” That’s why we’ve invested in ensuring the sustainability, variety and maturity of its tree life for years to come.



### DIVERSE SPECIES

The hundreds of varieties of trees in Mount Pleasant Cemetery form two groups: native and introduced. These range from the rare castor-aralia and Babylonian willow to oaks that were mature when Mount Pleasant Cemetery was founded. Visitors can discover the diversity of our arboretum themselves using our Arboretum Search tool found at [finditatmpg.com](http://finditatmpg.com).

### A LIVING COLLECTION

Records of every tree are collected and updated with accurate GPS coordinates through ArbroPro software. Each new entry is given a unique tree ID number, while traits such as height, number of stems or units, and health are recorded to observe collection changes through growth and changing environmental conditions. Educational institutions and botanical gardens have access to all the information upon request.

### WOVEN INTO THE CITY

Mount Pleasant arboretum is accessible to the public 365 days a year, and links into municipal trails, ravines and parks, including the Kay Gardner Beltline Trail, the Vale of Avoca, and the Moore Park Ravine. We’ve nurtured a strong relationship with the City of Toronto as well as the Toronto and Region Conservation Authority (TRCA), collaborating closely to further shared community and environmental objectives.



## HONOURING LIFE

At Candlelight Services and Remembrance Day memorials, rosaries and Summer Concerts, Mount Pleasant Group came together with our rights holders and families in support and celebration.

We were also proud to join our industry colleagues for events like the annual Hike for Hospice in May, which raised more than \$125,000 for end-of-life services, and our annual Butterfly Release, part of "The World United for Life" in which cemeteries worldwide remember the departed.



**30** community events hosting more than **4,000** people



**23** customer events hosting more than **5,000** people



**800** volunteer hours contributed by our staff

On April 29th, we had the honour of presenting the inaugural Mount Pleasant Group Hospice Innovation Award at the Hospice Palliative Care of Ontario (HPCO) Annual Conference, recognizing hospices that have introduced new programs of care across our community.

*Above: Cadets plant flags at the Duffin Meadows Remembrance Day ceremony.*

The adjudication committee reviewed six exceptional submissions before unanimously agreeing upon the Musical Therapy program from Emily's House at the Philip Aziz Centre. Named for one of the Centre's courageous young patients battling life-limiting illness, Emily's House provides a 10-bed hospice where children and their families can find comfort and support in a place that does its best to feel like home.

Their submission was the hospice's new Music

Therapy Sessions, which bring families together to record songs interwoven with the sound of their child's heartbeat, using recording equipment generously loaned by Sick Kids Hospital. A music therapist supports and encourages each family member to contribute vocals or instrumentals as best they can, while the children themselves take the lead.

One father shared what the sessions meant to him: "Music Therapy has brought light to my family in the darkest



moments. I have witnessed the music bring peace and rest to my son's body and healing to my heart."

The Hospice Innovation Award is made possible from the proceeds of MPG's cremation metal recycling initiative. Emily's House will use this year's award to purchase their own recording equipment.



## MOMENTS OF CONNECTION

Grief is a journey that everyone travels in their own way. But we believe that no one should feel alone on that journey.



We've always felt that some of the most important parts of our client relationships last forever. This enduring connection inspired us to assemble a team of Client Care Advisors, which offers further support to families navigating such difficult times in their lives. Shortly after our services conclude, our Client Care Advisors reach out with simple messages of condolence and understanding in the form of a hand-written card or respectful phone call.

Sometimes families need assistance working through their grief or handling their loved one's estate. Sometimes they have a few questions about the care of their memorial or plot. Our Advisors provide guidance and information through active listening, offering recommendations and connecting clients with resources that fit their needs.

*"Everything was beautiful. The staff were amazing! I cannot express my gratitude and satisfaction. I have no questions because the staff took care of everything."*

It's not just our clients who benefit from this outreach. While listening to the range of experiences our clients share, we hear suggestions and feedback that let us improve our services for the next family.

This initiative has proven to be extraordinarily successful, and the gratitude we hear from families every day has reaffirmed its value. As we continue to develop the initiative, we've learned that the smallest moments of connection can have a huge effect.



*"The Funeral Director was like a bright light in a very dark time. She has been supportive, kind and helpful to me. She truly made things less stressful. Thank you for the follow up call!"*

*"Everything was wonderful given the circumstances, we were treated with respect and everything was done in a tasteful manner. He did not make us feel pressured in any way."*

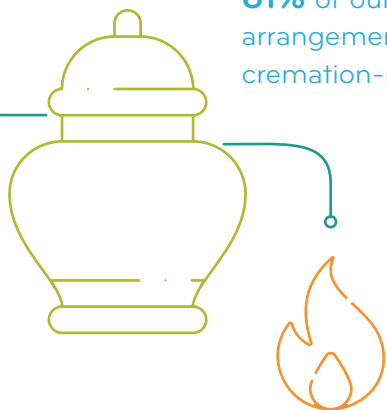
*"I got your card and it touched me deeply. Thank you very much for thinking of me."*



## CENTRES OF CARE AND COMMUNITY

*"Cookie cutter" funerals are not our standard. Our staff is committed to making sure our customers are aware of the numerous choices available to them in a completely non-judgmental environment so that the service is designed just as the customer wishes.*

**61%** of our funeral arrangements are cremation-related

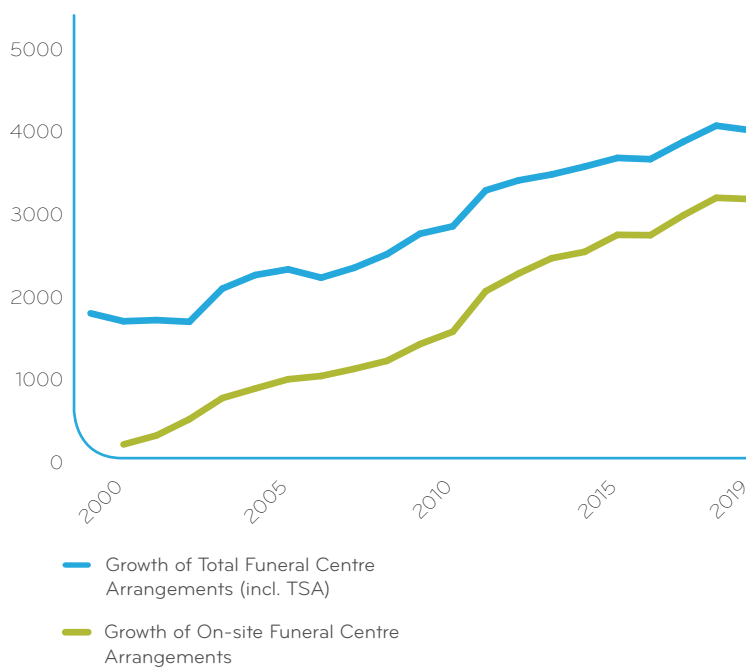


The chart to the right shows how our funeral location arrangements have grown since introducing the combined funeral and cemetery concept.

By the early 1980s, we began to hear a new request from our customers: people were seeking an alternative to the traditional venue and services provided by funeral homes. The industry was still mostly grounded in Christian traditions at the time, and relatively reluctant to change. For Mount Pleasant Group, the time was right to enter the funeral business. We began by offering clients a transfer service to our cemeteries. But we soon discovered that people wanted more than what was traditionally provided by such

services, so we obtained a funeral establishment license to offer a wider range of options operating under The Simple Alternative Funeral Centre (TSA) brand.

Of course, as Toronto and the GTA became more diverse, funeral customs followed suit. We knew we needed to find a solution that could accommodate new client priorities, including an increased demand for cremation from many newcomer communities as well as a growing desire to hold the funeral and burial at a single location.





In 1999, Mount Pleasant Group transformed the industry in the GTA by providing on-site funeral centres — at the time called visitation centres — that offered the community one place to meet all their funeral needs. Over two years, three of these centres were built: first at Pine Hills, then York and Elgin Mills.

These on-site centres allow us to tailor all the necessary arrangements involved in planning or preparing a visitation, funeral, chapel service, and reception to clients' unique desires in one tranquil, convenient setting. Sometimes that's as simple as staff wearing the deceased's favourite colour, displaying their collection of model airplanes or leading the funeral with the beloved family dog. Other times it's meant coordinating a fly-over, supplying ceremonial blankets or simply blowing bubbles throughout a sunlit service.

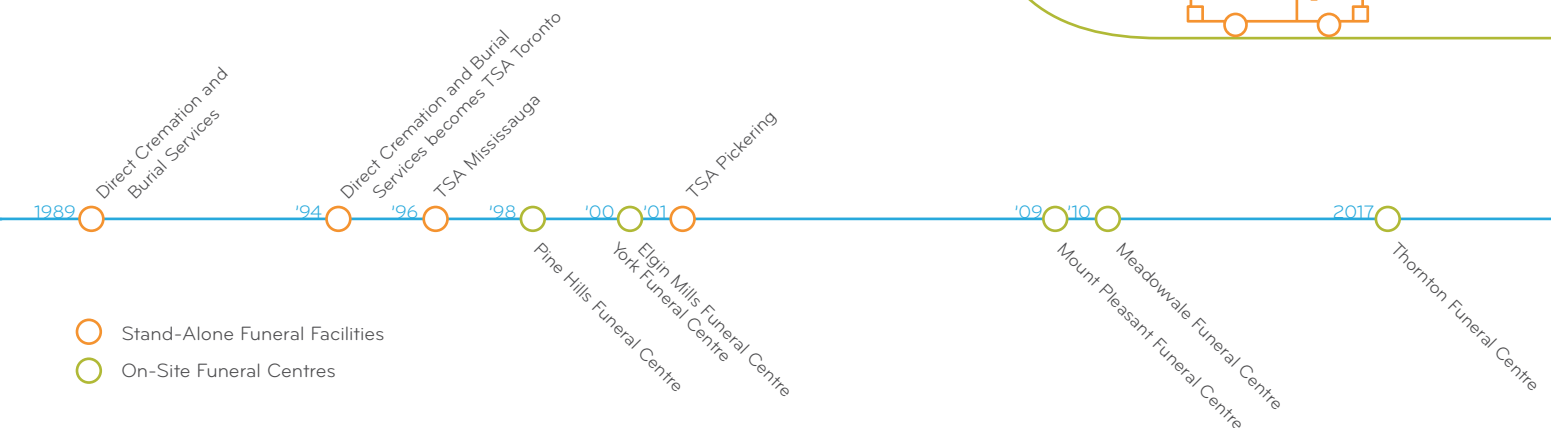
Their popularity has led us to invest in ensuring that the centres always

reflect the latest standards of design and client experience. Each project taught us lessons that would carry on to the next generation. This past year, our very first funeral centre at Pine Hills was transformed, updating its facilities and introducing a host of new amenities, including galley-style kitchens, visitation rooms and outdoor patios, as well as extensive upgrades to the chapel and coffee lounge.

Many funeral centres have become community centres for neighbours to enjoy when not in use for services. Events such as "death cafes," free concerts from Royal Conservatory of Music students and our Candlelight Services have turned them into places where people can come together and celebrate life. We're proud that we can also provide our partners in the hospice and palliative care communities beautifully peaceful places to meet, educate and train.

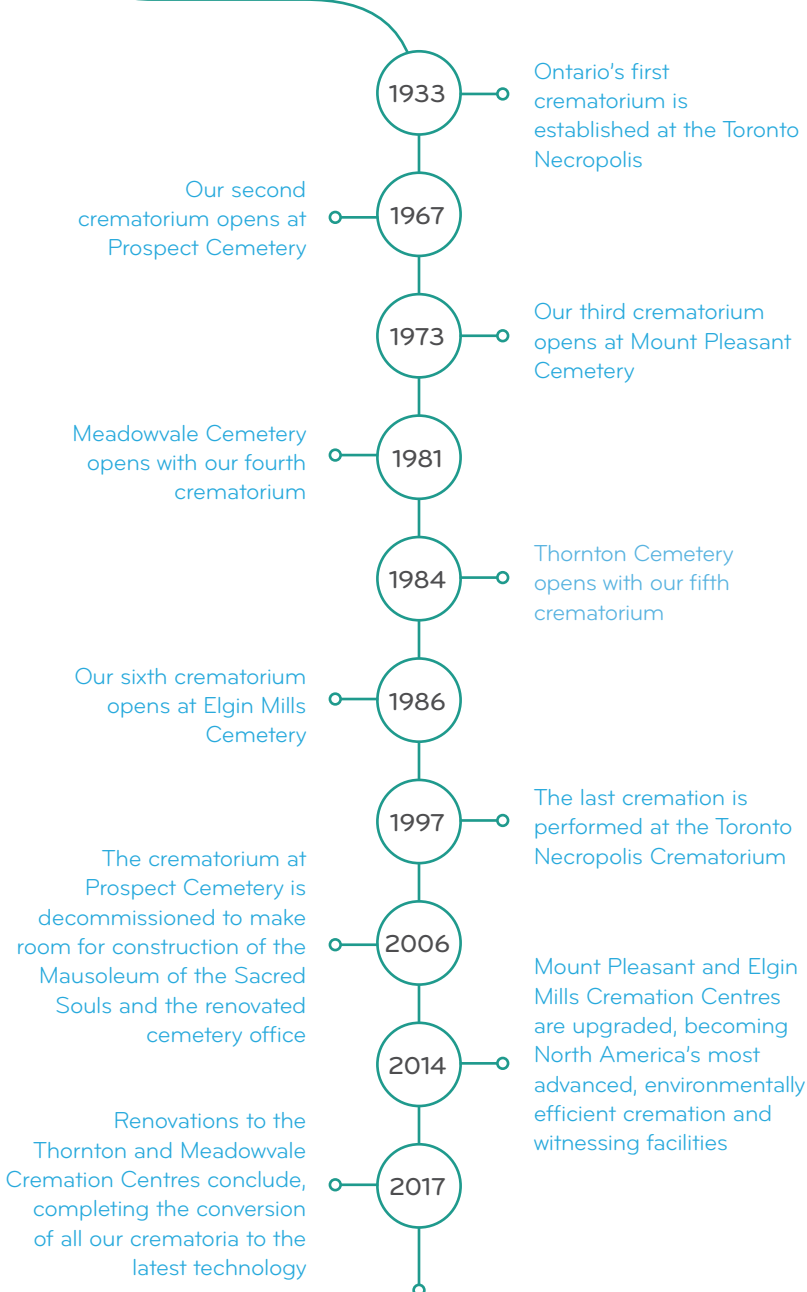


Coming full circle, our first funeral centre at Pine Hills Cemetery underwent several renovation upgrades this year.



## THE HISTORY OF CREMATION

When the first crematorium opened in Ontario at the Toronto Necropolis in 1933, cremation was used in less than 1% of Canadian funerals. Today that number is 70% in the GTA. And by 2031, we predict it will rise to 80%. In less than a century, the funeral traditions of our city have transformed.



Few elements of our world have shaped human history quite like fire. As much tied to life as it is to light, it warms, protects and nourishes us. For as long as we've gathered our families around the campfire, flame has also helped us say farewell to those we love.

The earliest evidence of cremation, "The Mungo Lady," was found at Lake Mungo in the Willandra Lakes Region of Australia in 1968. Scientists have estimated that her ritually burned remains date back more than 40,000 years. In classical antiquity, the Greeks and Romans both favoured cremation to help deliver their dead to the gods with reverence. Funeral pyres in the ancient world, often comprised of cedar, would frequently include other sacred offerings such as wine or herbs.

As Christianity spread across Europe, the popularity of cremation receded in the western world. Many Christian sects believed that it would interfere with the resurrection of the body and its reunification with the soul, and so prohibited the practice until it was eventually accepted by the Protestant church in the early 1900s and by the Catholic church in 1963.

Elsewhere, the tradition has endured for millennia. In Hinduism, cremation has always been the preferred funerary rite for most



1 ACRE OF  
LAND CAN  
HOLD:



800 burial  
caskets

or

6,000  
cremation  
urns

adults, with burial often reserved for children or ascetics who have renounced all things earthly. Buddha's own cremation is detailed in the holy text *The Mahaparinibbana Sutta*, and it remains the ritual of choice for many Buddhist funerals today.

The 19th century saw an evolution in the western world's opinion of the act. Professors at the 1869 Medical International Conference in Florence resolved that it would be critical to "public health and civilization." At the time, there was not a single crematorium in Europe. But when a "cremation furnace" was revealed at the 1873 Vienna Exposition, the idea began to spread. It wasn't until 1885 that the first cremation took place in Britain — and only three were conducted there that year.

But as the 20th century dawned, cities blossomed in size and population, making sanitation a greater priority and space a scarcer commodity. Societies became far more mobile

as people flocked to those cities and families spread across greater distances than ever before. Cremation allowed remains to be easily transported back to hometowns or even shared between families.

Since Donald B. Hopkins became the first person cremated in a Mount Pleasant Group crematorium on November 21st, 1933, demand for cremation options in the GTA has only increased. In the two decades between 1996 and 2016, Toronto's South Asian population, which overall tends to prefer cremation, grew by more than 225%. Today, Hindu, Sikh and Buddhist communities continue to represent three of Toronto's fastest-growing demographics. As Catholic and Protestant faiths have become more open to the practice, their parishioners request cremation with far greater frequency.

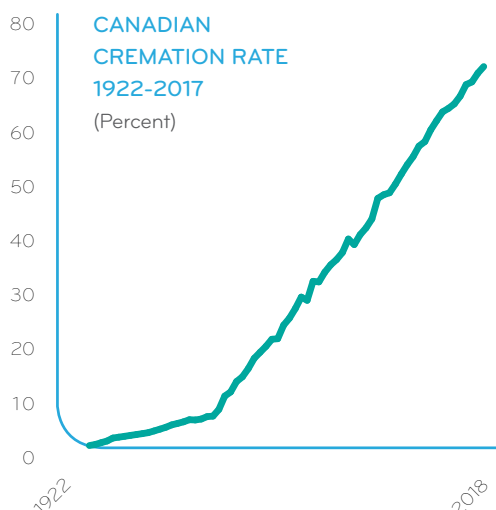
Just as new expectations inspire new services, they also guide our investments in innovation. In recent years, we've focused on ways to reduce the carbon footprint of our funeral services. This has led us to introduce technologies that eliminate nearly 100% of the greenhouse gases and particulate matter generated by cremation. At the same time, upgrades to our facilities have dramatically reduced the amount of fossil fuels required to operate crematoria systems.

As we look to our future, we know that cremation services will remain a core part of what we offer our community. But experience tells us that why, and how, we choose to cremate our loved ones' remains may change with every generation, and the living history of this ancient tradition will continue.



A record of  
some of the very  
first cremations  
performed at  
Toronto Necropolis'  
crematorium.

Witnessing rooms  
let families come  
together for the  
final steps of the  
cremation process  
in a comfortable,  
dignified environment.





## A CEMETERY'S JOURNEY



Elgin Mills Cemetery turned 40 in 2019. But that doesn't mean it has stopped growing. The 143 rolling acres around the headwaters of the Rouge River serve the communities of Richmond Hill, Markham, Aurora and Toronto. As some of Ontario's fastest growing neighbourhoods, they need a cemetery that can keep pace. In 2019, Elgin Mills continued the latest phase of the cemetery's east side expansion, helping to ensure it can be used by generations to come.



*Cemetery development surrounding environmentally protected lands ensures the natural habitat will be preserved.*

Cemeteries don't simply spring up overnight. It takes 10 to 15 years to identify, acquire, design, approve and develop a cemetery, and often another 15 to 20 years for it to truly become a core part of its community. So what goes into planning and developing a cemetery like Elgin Mills?

### FIRST, UNDERSTAND THE COMMUNITY.

Not just where it is today, but where it's going tomorrow. Population growth is analyzed to determine the need 30 – 50 years into the future while existing cemeteries in the area are assessed to determine if they're serving the religious and cultural needs of their community — and if that service is sustainable.

### PLAN IT OUT.

Long-term urban planning is reviewed to find the best location. It used to be quite simple: cemeteries were built in the farmland that neighboured Ontario towns and villages. Today, provincial plans no longer allow for cemeteries to be developed in agricultural areas and municipal plans rarely account for cemeteries when considering their own growth. It's often up to us to do the long-range thinking.

### LOCATION, LOCATION.

We can't simply put them anywhere. Cemeteries require a minimum of six feet of earth to allow for burials, and there needs to be at least one more foot between graves and the water table. We conduct a thorough geological review to ensure the right depth of the bedrock along with the right elevation. If the property is too flat, it won't drain easily. But if it's too steep, maintenance is difficult. We also need to ensure that it's accessible both on foot and in vehicles. Natural spaces give the property character, but they shouldn't take up more than 20% of the land.

### IT'S TIME TO DESIGN.

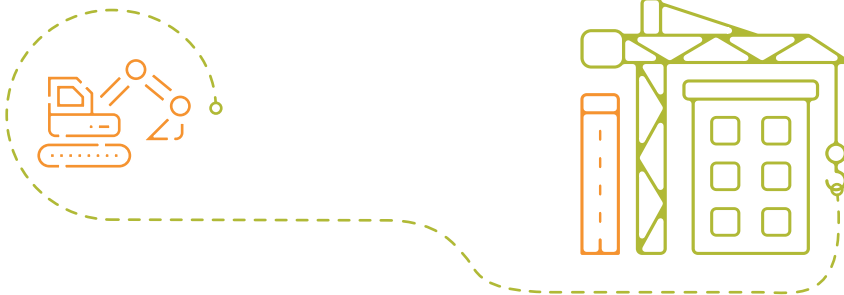
Designing a cemetery is a bit like designing a town. There are buildings to be laid out, road patterns and storm sewers to be engineered, water systems to be planned, electrical feeds to be developed, trees to be managed, and environmental stewardship of natural spaces to be prioritized. But ethnicity and religion play a critical role as well. We research customs and traditions worldwide to ensure our clients get the choices they prefer.



## SEEKING APPROVAL.

Now comes the tricky part. Cemeteries require up to five levels of government approval before development can begin, while municipal approval is reviewed by a minimum of nine departments. Any developments near natural areas are reviewed through the local conservation authority before a permit is issued. If endangered species are identified nearby, approval may be required by the federal Ministry of Fisheries and Oceans as well. Once everything is signed off at the municipal, regional, conservation, and provincial levels, a submission is made to the Bereavement Authority of Ontario to obtain a cemetery operator's license.

*As the land is developed, care is taken to balance useable space with nature.*



## DEVELOPMENT BEGINS.

After all that, it's not unusual for a decade to pass between the idea of the cemetery and the first shovel in the ground. Then depending on the property's size and complexity, it could be another one or two years before the first burial as the landscape is altered and facilities constructed.

The effort undertaken to create a new cemetery is one of the primary factors in

determining the cost of burial, cremation or other funeral services. Another is the fact that cemeteries need ongoing care and support. They change, they adapt, and — like Elgin Mills — they often grow.

The time and consideration involved may seem daunting, but unlike shopping malls or skyscrapers, cemeteries are intended to last forever. And forever is not something you can rush.



Feng shui is used to design burial rites for Chinese communities



Muslim burial plots are situated facing the holy city of Mecca



Eastern Orthodox rites are designed to face the rising sun

## CURRENT DIRECTORS & SENIOR MANAGEMENT

### MOUNT PLEASANT GROUP OF CEMETERIES BOARD



**RICHARD BOXER**  
Chair



**THOMAS DI GIACOMO**  
Finance & Investment  
Committee



**MARILYN EMERY**  
Governance &  
HR Committee



**BRENT HOULDEN**  
Finance & Investment  
Committee



**GLENN McCLARY**  
Director & Board  
Secretary



**DON MORRISON**  
Finance & Investment  
Committee Chair  
Governance &  
HR Committee



**ANNE SADO**  
Governance & HR  
Committee Chair



**CONNIE SUGIYAMA**  
Finance & Investment  
Committee  
Governance &  
HR Committee

### CANADIAN MEMORIAL SERVICES BOARD



**ANGIE AQUINO**  
Director & Board  
Secretary



**MARILYN EMERY**  
Director



**GLENN McCLARY**  
Chair



**KEVIN SHEA**  
Director

### SENIOR MANAGEMENT TEAM



**ANGIE AQUINO**  
Funeral President



**LOUISE MacLEAN**  
Director Human  
Resources



**GLENN McCLARY**  
Cemetery President  
& CEO



**GLEN TIMNEY**  
Vice President  
Corporate  
Development



**LORI TYMCHUK**  
CFO



**RICK COWAN**  
Asst. Vice President  
Marketing



**JEFF DENNIS**  
Director Development



**NATHAN JOHNSON**  
Director Client Services



**GARY LINTON**  
Director Property  
Management



**GOWRI THILEEPAN**  
Director Corporate  
Financial Services

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Mount Pleasant Group of Cemeteries**

### OPINION

We have audited the consolidated financial statements of **Mount Pleasant Group of Cemeteries** [the "Organization"] which comprise the consolidated balance sheet as at March 31, 2019 and the consolidated statement of revenue and expenses, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as at March 31, 2019, and its results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian generally accepted 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.

In preparing the consolidated financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



## INDEPENDENT AUDITORS' REPORT

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the *Corporations Act* (Ontario), we report that, in our opinion, Canadian accounting standards for not for profit organizations have been applied on a basis consistent with that of the preceding year.

*Ernst & Young LLP*

Toronto, Canada  
June 25, 2019

Chartered Professional Accountants  
Licensed Public Accountants

## MOUNT PLEASANT GROUP OF CEMETERIES

## CONSOLIDATED BALANCE SHEET

[in thousands of dollars]

As at March 31

	2019 \$	2018 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	8,098	5,573
Accounts receivable	20,495	19,139
Prepaid expenses and other	2,011	1,606
<b>Total current assets</b>	<b>30,604</b>	<b>26,318</b>
Long-term accounts receivable	48,080	45,714
Investments [note 3]	761,330	706,843
Cemetery properties [note 18]	64,830	58,835
Capital assets, net [note 4]	68,846	65,297
Other	400	400
	<b>974,090</b>	<b>903,407</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current</b>		
Accounts payable and accrued liabilities [notes 6 and 17]	15,074	13,920
Deferred revenue	1,434	1,306
<b>Total current liabilities</b>	<b>16,508</b>	<b>15,226</b>
Deferred prepaid trust [note 7]	216,079	202,726
Other deferred revenue [note 8]	2,459	1,049
Accrued benefit liability [note 14]	10,316	9,411
<b>Total liabilities</b>	<b>245,362</b>	<b>228,412</b>
Commitments and contingencies [notes 3, 5 and 12]		
<b>Net assets</b>		
Externally restricted funds for care and maintenance [note 9]	467,084	432,577
Endowments	4,631	4,396
Internally restricted [note 10]	41,242	41,208
Unrestricted	215,771	196,814
<b>Total net assets</b>	<b>728,728</b>	<b>674,995</b>
	<b>974,090</b>	<b>903,407</b>

See accompanying notes

On behalf of the Board:



Board Chair



Director

## MOUNT PLEASANT GROUP OF CEMETERIES

## CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES

[in thousands of dollars]

Year ended March 31

	2019 \$	2018 \$
<b>REVENUE</b>		
Sales <i>[note 7]</i>	<b>75,408</b>	71,605
Care and maintenance <i>[note 8]</i>	<b>13,329</b>	13,255
Other	<b>568</b>	559
	<b>89,305</b>	85,419
<b>EXPENSES</b>		
Direct <i>[note 15]</i>	<b>20,958</b>	19,878
General and administrative <i>[note 15]</i>	<b>41,924</b>	40,189
Care and maintenance <i>[notes 8 and 15]</i>	<b>13,329</b>	13,255
	<b>76,211</b>	73,322
Excess of revenue over expenses before the following	<b>13,094</b>	12,097
Investment income <i>[note 11]</i>	<b>6,287</b>	2,847
<b>Excess of revenue over expenses for the year</b>	<b>19,381</b>	14,944

*See accompanying notes*



## CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

[in thousands of dollars]

Year ended March 31

	2019				2018	
	Externally restricted funds for care and maintenance \$	Endowments \$	Internally restricted \$	Unrestricted \$	Total \$	Total \$
Net assets, beginning of year	432,577	4,396	41,208	196,814	674,995	641,411
Excess of revenue over expenses for the year	—	—	—	19,381	19,381	14,944
Remeasurements related to employee defined benefit plan	—	—	—	(390)	(390)	(991)
Transfers [note 10]	—	—	34	(34)	—	—
Contributions [note 9]	14,568	120	—	—	14,688	13,194
Net gain on investments held for care and maintenance and endowments [note 11]	19,939	115	—	—	20,054	6,437
Net assets, end of year	467,084	4,631	41,242	215,771	728,728	674,995

See accompanying notes

## MOUNT PLEASANT GROUP OF CEMETERIES

## CONSOLIDATED STATEMENT OF CASH FLOWS

[in thousands of dollars]

Year ended March 31

	2019 \$	2018 \$
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	19,381	14,944
Add (deduct) items not involving cash		
Amortization of capital assets	5,499	5,313
Net gain on investments	(3,474)	(208)
Employee benefits expense related to defined benefit plan	653	924
	22,059	20,973
Net change in non-cash balances related to operations <i>[note 13]</i>	5,923	(3,294)
Care and maintenance and endowment contributions	14,688	13,194
Net purchase of investments held for care and maintenance, endowments and prepaid trust funds	(25,617)	(25,845)
Employer contributions to defined benefit plan	(138)	(168)
<b>Cash provided by operating activities</b>	<b>16,915</b>	<b>4,860</b>
<b>INVESTING ACTIVITIES</b>		
Net purchase of investments held for unrestricted and internally restricted funds	(5,342)	(2,566)
Purchase of capital assets	(9,048)	(4,243)
<b>Cash used in investing activities</b>	<b>(14,390)</b>	<b>(6,809)</b>
<b>Net increase (decrease) in cash and     cash equivalents during the year</b>	<b>2,525</b>	<b>(1,949)</b>
Cash and cash equivalents, beginning of year	5,573	7,522
<b>Cash and cash equivalents, end of year</b>	<b>8,098</b>	<b>5,573</b>

See accompanying notes

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]

March 31, 2019

### 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). CMS is a for-profit entity and subject to income taxes under the *Income Tax Act* (Canada).

#### 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

## MOUNT PLEASANT GROUP OF CEMETERIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]  
March 31, 2019

maintenance that are to be held permanently, 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, in which case it is added directly to the balances or is restricted and recognized as revenue when the related expenses are incurred.

#### 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 comprise 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 the Organization believes is a reasonable estimate of 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.

MOUNT PLEASANT GROUP OF CEMETERIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]  
March 31, 2019

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

- Land and land 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 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.

MOUNT PLEASANT GROUP OF CEMETERIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]  
March 31, 2019

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	2019 \$	2018 \$
Canadian short-term investments	Amortized cost	81,459	77,645
Canadian equities	Fair value	164,168	156,624
<b>POOLED FUNDS</b>			
Canadian bonds	Fair value	249,608	233,201
Canadian mortgages	Fair value	76,594	73,335
Global equities	Fair value	103,866	93,289
<b>ALTERNATIVE FUNDS</b>			
Canadian real estate income	Fair value	35,254	31,925
Canadian real estate mortgages	Fair value	6,000	600
Canadian private debt	Fair value	10,539	4,958
Global income	Fair value	33,842	35,266
		<b>761,330</b>	<b>706,843</b>

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 Canadian short-term investments [1%], Canadian bonds [38%], Canadian equities [20%], Global equities [23%] and alternative funds [18%]. Endowments are primarily invested in bonds. Prepaid trust funds are invested in Canadian bonds [41%], Canadian mortgages [46%] and Canadian short-term investments [13%]. Internally restricted funds are invested in Canadian short-term investments [42%], Canadian equities [55%] and alternative funds [3%].

The Organization has committed to make total investments in Canadian real estate [\$10,000], Canadian real estate mortgages [\$10,000], Canadian private debt [\$45,000], and Global infrastructure [\$20,000]. The following amounts have been funded to date: Canadian real estate [\$3,500], Canadian real estate mortgages [\$6,000] and Canadian private debt [\$10,658]. Subsequent to year-end, the Organization committed to make additional investments in Canadian real estate mortgages of \$13,500, no amounts have been subsequently funded.

MOUNT PLEASANT GROUP OF CEMETERIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]  
March 31, 2019

#### 4. CAPITAL ASSETS

Capital assets consist of the following:

2019			
	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE
	\$	\$	\$
Land	3,014	—	3,014
Buildings and crematoria	98,268	38,411	59,857
Furniture, fixtures and equipment	24,592	18,617	5,975
	125,874	57,028	68,846

2018			
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Land	3,014	—	3,014
Buildings and crematoria	91,081	34,775	56,306
Furniture, fixtures and equipment	23,248	17,271	5,977
	117,343	52,046	65,297

Buildings include construction in progress of \$994 [2018 – \$2,718] that will not be amortized until placed in service. Fully amortized assets of \$518 [2018 – \$1,518] have been removed from cost and accumulated amortization as they are no longer in use.

#### 5. BANK FACILITY

The Organization has a line of credit of \$1,800 available with a Canadian chartered bank, bearing interest at the bank's prime rate of 3.95% [2018 – 3.45%] against which letters of credit totalling \$1,390 [2018 – \$776] are outstanding. In addition, the Organization has a line of credit of \$197 available with a Canadian chartered bank, bearing interest at the bank's prime rate of 3.95% [2018 – 3.45%] that was not utilized as at March 31, 2019 and 2018. Accounts receivable of the Organization have been pledged as collateral for this line of credit. Annual fees are charged on outstanding letters of credit at 0.75%.

#### 6. GOVERNMENT REMITTANCES PAYABLE

As at March 31, 2019, accounts payable and accrued liabilities include government remittances payable of \$1,496 [2018 – \$1,438].

MOUNT PLEASANT GROUP OF CEMETERIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]  
March 31, 2019

## 7. DEFERRED PREPAID TRUST

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

	2019 \$	2018 \$
<b>Balance, beginning of year</b>	<b>202,726</b>	193,761
Contributions during the year	<b>18,964</b>	19,121
Interest income earned during the year <i>[note 11]</i>	<b>5,157</b>	4,391
Gain (loss) during the year <i>[note 11]</i>	<b>1,989</b>	(2,265)
Services performed during the year recognized as revenue	<b>(12,757)</b>	(12,282)
<b>Balance, end of year</b>	<b>216,079</b>	202,726

## 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:

	2019 \$	2018 \$
<b>Balance, beginning of year</b>	<b>1,049</b>	2,307
Investment income <i>[note 11]</i>	<b>14,739</b>	11,997
Revenue recognized related to care and maintenance	<b>(13,329)</b>	(13,255)
<b>Balance, end of year</b>	<b>2,459</b>	1,049

## 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.



MOUNT PLEASANT GROUP OF CEMETERIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]  
March 31, 2019

## 11. INVESTMENT INCOME

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

	2019 \$	2018 \$
Total investment income	48,226	23,407
Add (deduct)		
Net gain on investments held for externally restricted funds for care and maintenance recognized in the consolidated statement of changes in net assets	(19,939)	(6,522)
Net (gain) loss on investments held for endowments recognized in the consolidated statement of changes in net assets	(115)	85
Interest income on prepaid trust funds [note 7]	(5,157)	(4,391)
Net loss (gain) on prepaid trust funds [note 7]	(1,989)	2,265
Investment income on externally restricted funds for care and maintenance and endowments recorded as other deferred revenue [note 8]	(14,739)	(11,997)
<b>Investment income recognized in the consolidated statement of revenue and expenses</b>	<b>6,287</b>	<b>2,847</b>

## 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.

On December 31, 2018, an Ontario Superior Court Decision was released for a legal case filed against the Organization. The Organization has initiated an appeal of the Decision to the Court of Appeal. At this time, any potential future financial loss to the Organization cannot be reasonably estimated.

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

	\$
2020	495
2021	450
2022	446
2023	279
2024	230
Thereafter	218

MOUNT PLEASANT GROUP OF CEMETERIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]  
March 31, 2019

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

[c] The Organization is committed to construction costs of \$19,168 related to its cemetery properties, of which \$17,700 of costs have been incurred to date.

### 13. STATEMENT OF CASH FLOWS

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

	2019 \$	2018 \$
Accounts receivable	(1,356)	6,856
Prepaid expenses and other	(405)	(85)
Long-term accounts receivable	(2,366)	(2,798)
Cemetery properties	(5,995)	(14,053)
Accounts payable and accrued liabilities	1,154	(683)
Deferred revenue	128	(238)
Deferred prepaid trust	13,353	8,965
Other deferred revenue	1,410	(1,258)
	5,923	(3,294)

### 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, 2018.

### 15. ALLOCATION OF EXPENSES

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

	2019 \$	2018 \$
Direct	65	71
Care and maintenance	709	714
	774	785

MOUNT PLEASANT GROUP OF CEMETERIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[in thousands of dollars]  
March 31, 2019

## 16. FINANCIAL INSTRUMENTS

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

### Foreign currency risk

The Organization is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying investments of its pooled funds denominated in foreign currencies, because the fair value and future cash flows will fluctuate due to the changes in the relative value of foreign currencies against the Canadian dollar.

### 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 risk or foreign currency risks] in connection with its investments in equity securities and pooled funds.

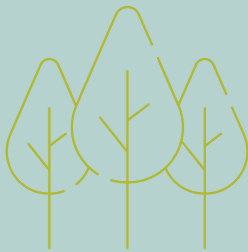
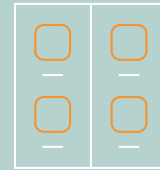
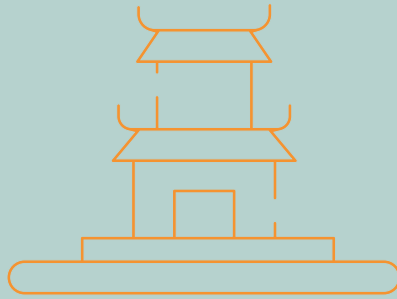
## 17. INCOME TAXES

As at March 31, 2019, the Organization estimates taxes payable of approximately \$224 [2018 – \$74], which has been recorded in accounts payable and accrued liabilities, and \$8,863 of unclaimed capital cost allowance available to be carried forward indefinitely.

## 18. LAND TRANSACTIONS

During fiscal 2018, the Organization purchased property for total cash consideration of \$13,668.

## OUR LOCATIONS



### 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  
☎ Cemetery office 416-485-9129  
☎ Funeral centre 416-485-5572  
✉ 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

**8 THORNTON CEMETERY, CREMATION AND FUNERAL CENTRES**  
 1200 Thornton Road North  
 Oshawa, ON L1J 0C9  
 ☎ 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  
 North York, ON M3B 2V1  
 ☎ 416-441-1580  
 ✉ tsatorontoinfo@mountpleasantgroup.com

## CURRENT SITE MANAGERS

### CLIENT SERVICES MANAGEMENT TEAM



**NELSON BOAVENTURA**  
Elgin Mills &  
Meadowvale  
Cemeteries



**PATTY HARRIS**  
Beechwood &  
Prospect  
Cemeteries



**HAMEES HASSAN**  
Thornton & Duffin  
Meadows  
Cemeteries



**NEIL O'BRIGHT**  
Pine Hills  
Cemetery



**ANTONIETTA SWEENEY**  
York Cemetery



**HEATHER WEIR**  
Mount Pleasant &  
Toronto Necropolis  
Cemeteries

### FUNERAL MANAGEMENT TEAM



**BILL BAXTER**  
The Simple Alternative  
– Pickering  
& Thornton Funeral  
Centre



**ERIKA BYRES**  
The Simple  
Alternative –  
Toronto



**ANNE HUIZINGH**  
Elgin Mills Funeral  
Centre



**LINDA LEE**  
York Funeral  
Centre



**WENDY McCLURE**  
Mount Pleasant  
Funeral Centre



**JOHN MORRISON**  
The Simple Alternative  
– Mississauga



**MICHELLE PAUKOVIC**  
Meadowvale  
Funeral Centre



**DAVID PERRY**  
Pine Hills  
Funeral Centre

### PRE-PLANNING MANAGEMENT TEAM



**MIKE PAGANI**  
Central-West Regions



**MAX SEO**  
North Region



**WADE SHREVE**  
East Region

## CURRENT SITE MANAGERS

### PROPERTY MANAGEMENT TEAM



**PAUL CANDY**  
Elgin Mills Cemetery



**LUIS FICHER**  
Mount Pleasant &  
Toronto Necropolis  
Cemeteries



**KAREN FORD**  
Meadowvale  
Cemetery



**BRANDON GARCIA**  
Beechwood  
Cemetery



**MARK HARVIE**  
Equipment  
Maintenance



**CHARLIE IRETON**  
Pine Hills Cemetery



**GARY IRVING**  
Prospect Cemetery



**PAUL SHEPPARD**  
Thornton &  
Duffin Meadows  
Cemeteries



**PETER SUMMERS**  
York Cemetery

Mount Pleasant Group is committed to conducting itself with transparency and a focus on exceeding our customers' expectations. If we fail to live up to these commitments, please let us know so that we can improve.

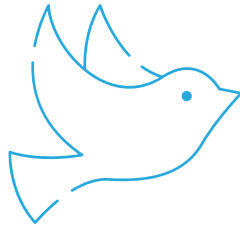
### MPG'S CUSTOMER FEEDBACK AND COMPLAINT PROCESS

If you would like to provide us with feedback or have a complaint, please visit the "About Us" section of our website to see how to make us aware of your feedback. You may also send us an email at [clientconcerns@mountpleasantgroup.com](mailto:clientconcerns@mountpleasantgroup.com) or call our Corporate Office at 416-696-7866.

We are committed to acknowledging all concerns within two business days.

### THE BEREAVEMENT AUTHORITY OF ONTARIO

If consumers feel a bereavement service provider is not conducting itself appropriately they may contact the Bereavement Authority of Ontario (BAO). The BAO is a not-for-profit corporation, responsible for administering the provisions of the Funeral, Burial and Cremation Services Act, 2002 and associated regulations on behalf of the Ontario Ministry of Government and Consumer Services. The BAO oversees the entire bereavement sector in Ontario, including funeral establishments, funeral directors, funeral pre-planners, transfer service operators and transfer service sales representatives, and cemetery and crematorium operators and sales representatives. More information can be found at [www.thebao.ca](http://www.thebao.ca).



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Toronto, ON M4H 1P1

☎ 416-696-7866

🖨 416-696-0227

✉ [info@mountpleasantgroup.com](mailto:info@mountpleasantgroup.com)

🌐 [mountpleasantgroup.com](http://mountpleasantgroup.com)

